

AR83

AUG 25 1952

TORONTO STOCK EXCHANGE

LISTING STATEMENT

NEW DAVIES PETROLEUMS LIMITED

Incorporated under the Alberta Companies Act by Certificate of Incorporation dated 12th May, 1952.

1. Address of the Company's Head Office and of any other offices:
409 Lancaster Building, Calgary, Alberta.
2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
President	Leonard Phillips	816 Tenth Street N.W., Calgary, Alberta	Broker
Vice-President	Fred T. Brooks, Sr.	Hamilton, Ontario	Retired
Sec.-Treasurer	Basil Hills	309 Eighth Avenue West, Calgary, Alberta	Chartered Accountant
3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
Leonard Phillips	Calgary, Alberta	Broker
Fred T. Brooks, Sr.	Hamilton, Ontario	Retired
Basil Hills	Calgary, Alberta	Chartered Accountant
George E. Scroggie	Hamilton, Ontario	Broker
F. Gordon Elves	Calgary, Alberta	Manager
Dr. John H. Leeds	Smithville, Ontario	Physician
Gilbert H. Young	Vancouver, British Columbia	Chiropractor
4. Names and addresses of all transfer agents:
The Prudential Trust Company Limited at its Toronto, Vancouver, Calgary and Montreal offices.
5. Particulars of any fee charged upon transfer other than customary government taxes:
50c upon each certificate issued on transfer.
6. Names and addresses of all registrars:
The Prudential Trust Company Limited at its Toronto, Vancouver, Calgary and Montreal offices.
7. Amount of authorized capital: \$2,000,000.
8. Number of shares and par value: 4,000,000 shares of a par value of 50c each.
9. Full details of all shares issued in payment for properties or for any other assets other than cash:

Date	No. of Shares	Consideration
June 2, 1952.....	1,849,994	Entire assets and undertaking of Davies Petroleums Limited (N.P.L.) which, without limiting the generality of the foregoing, include properties described in paragraph 21 below.
Note.—The said 1,849,994 shares are to be issued in terms of agreement subject to approval to listing of said shares by the Toronto, Vancouver and Calgary Stock Exchanges and Montreal Curb Market.		
Total.....	1,849,994	

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

10. Full details of all shares sold for cash.	<table><tr><th>Date</th><th>Number of Shares</th><th>Price per Share</th><th>Amount realized by Company</th></tr><tr><td>June 2, 1952.....</td><td>3</td><td>50c</td><td>\$1.50</td></tr><tr><td>June 3, 1952.....</td><td>4</td><td>50c</td><td>2.00</td></tr><tr><td>Total.....</td><td>7</td><td></td><td>\$3.50</td></tr></table>	Date	Number of Shares	Price per Share	Amount realized by Company	June 2, 1952.....	3	50c	\$1.50	June 3, 1952.....	4	50c	2.00	Total.....	7		\$3.50
Date	Number of Shares	Price per Share	Amount realized by Company														
June 2, 1952.....	3	50c	\$1.50														
June 3, 1952.....	4	50c	2.00														
Total.....	7		\$3.50														
11. Total number of shares issued.	1,850,001.																
12. Number of shares now in treasury or otherwise unissued.	2,149,999.																
13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.	None.																
14. Date of last annual meeting.	None held (Company incorporated May 12, 1952).																
15. Date of last report to shareholders.	None (Company incorporated May 12, 1952).																
16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	The Company has offered rights to the shareholders of Davies Petroleums Limited (N.P.L.) to subscribe for shares of the Company at 50c per share on the basis of one share of the Company for each two shares of Davies Petroleums Limited (N.P.L.) held and of record on June 30, 1952. The Company has set aside 924,997 shares against the exercise of these rights, there being 1,849,994 shares of Davies Petroleums Limited (N.P.L.)																
17. Details of any shares pooled, deposited in escrow, non-transferable or held under any syndicate agreement or control.	None.																
18. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.	None.																
19. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled or revoked? If so, give particulars.	No.																

20. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.
21. Enumerate fully, giving claim or property numbers, approximate acreage, townships and mining camp or oil field: (a) Properties owned where titles vested in Company. (b) Properties leased. (c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)	See "Property Schedule" on page 8.
22. Full particulars of any royalties or other charges payable upon production from each individual property.	See "Property Schedule" on page 8.
23. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.	None.
24. Describe plant and equipment on property.	Conventional production equipment and building at well sites.
25. Describe development accomplished and planned.	The Company has not carried on development but in terms of a sale agreement with Davies Petroleum Limited (N.P.L.) is to derive the producing wells, leases and all other assets and undertaking of Davies Petroleum Limited (N.P.L.).
26. Date and author of mining engineer's or petroleum geologist's report filed with this application and available for inspection on request.	See item "Geologist's Report" on page 9.

27. Full particulars of production to date.

Production and proceeds derived from sale of said production for the year ended January 31, 1952, and for the period February 1, 1952 to May 31, 1952, are shown in "Schedule Showing Revenue from Proceeds of Production" on page 7.

28. Have any dividends been paid? If so, give date, per share rate, and amount paid in dollars on each distribution.

None paid.

29. Name and address of the solicitor or attorney whose certificate as to titles and to the fact that there are no encumbrances or tax arrears has been filed with the Exchange.

John D. Petrie,
609 Lancaster Building,
Calgary, Alberta.

30. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.

John D. Petrie,
609 Lancaster Building,
Calgary, Alberta.

31. Has the listing of any shares of the Company ever been refused or deferred on any stock exchange? If so, give particulars.

No.

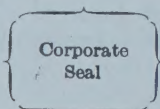
32. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars.

No.

(b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars.

Yes. Application is being made for listing of the shares of the Company on the Vancouver and Calgary Stock Exchanges and the Montreal Curb Market.

Dated at Calgary, Alberta, the 26th day of June, 1952.



NEW DAVIES PETROLEUMS LIMITED

"L. PHILLIPS," *President.*

"BASIL HILLS," *Secretary.*

FINANCIAL STATEMENTS

BALANCE SHEET AS AT JANUARY 31, 1952

ASSETS

CURRENT ASSETS:

Cash in Bank and on Hand.....		\$ 33,169.13
Funds on Deposit with Prudential Trust Company Limited:		
Well No. 1.....	\$ 171.22	
Well No. 2.....	1,893.86	
		2,065.78
Accounts Receivable:		
Proceeds of Production for January, 1952.....	\$ 5,778.40	
Others.....	240.75	
		6,019.15
Dominion of Canada Bonds—at cost—(market value \$4,994.00).....		5,000.00
Prepaid Expenses.....		55.48
TOTAL CURRENT ASSETS.....		\$ 46,309.54

UTILITY DEPOSIT.....		24.00
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INVESTMENTS:

Oil Companies, Stocks, Debentures and Royalties—at cost—(market value \$344,939.75).....		140,439.27
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FIXED ASSETS—at cost:

Production Equipment.....	\$ 64,040.35	
Compressors.....	28,846.06	
Standard Drilling Equipment.....	8,822.39	
Buildings.....	5,118.27	
Automobile and Truck.....	4,493.65	
Furniture and Fixtures.....	3,065.35	
	\$114,386.07	
Less Reserve for depreciation.....	66,634.37	
		47,751.70

LEASES AND RESERVES—at cost.....		29,800.74
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DEVELOPMENT:

Company Wells—at cost.....	\$646,526.56	
Less Received from Sale of Royalties.....	241,880.00	
	\$404,646.56	
Davulco Syndicate.....	34,666.00	
Sundry.....	24,750.00	
	\$464,062.56	
Less Development and Depletion Reserves.....	341,860.00	
		122,202.56

INTEREST IN EXPLORATORY DEVELOPMENT:

Devonian Limestone Test.....	\$ 2,209.17	
Sundry.....	7,623.50	
		9,832.67

DEFERRED EXPENSES.....		675.00
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\$397,035.38

LIABILITIES

CURRENT LIABILITIES:

Royalties Payable.....	\$ 2,852.89
Accounts Payable.....	570.00

TOTAL CURRENT LIABILITIES.....	\$ 3,422.89
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SHARE CAPITAL, CAPITAL SURPLUS AND DEFICIT ACCOUNTS:

Share Capital:		
Authorized—2,000,000 shares of No Par Value.		
Issued and Fully Paid: 1,252,994 shares for Cash.....	\$322,568.80	
597,000 shares for Leases.....	110,500.00	
	1,849,994	433,068.80
Capital Surplus.....		139,137.22
	\$572,206.02	
Less Operating Deficit.....	178,593.53	
		393,612.49

CONTINGENT LIABILITIES—None reported.

\$397,035.38

Approved on behalf of the Board:

“L. PHILLIPS,” *Director.*
“BASIL HILLS,” *Director.*

(Referred to in the accompanying report dated February 29, 1952, of Henderson, Teare and Waines, Chartered Accountants.)

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED JANUARY 31, 1952

PROCEEDS OF PRODUCTION OBTAINED FROM WELLS.....		\$43,210.55
Deduct Gross and Other Royalties paid.....		12,197.86
		<u>\$31,012.69</u>
OTHER INCOME:		
Investment Income—Dividends.....	\$ 2,548.88	
Interest.....	231.39	
	<u> </u>	\$ 2,780.27
Compressor Rental.....		8,320.27
Devonian Limestone Test.....		181.47
		<u>11,282.01</u>
		<u>\$42,294.70</u>
PRODUCTION COSTS:		
Wages and Supervision.....	\$15,764.06	
Operating Expenses, Lease and Well Maintenance, Repairs, Renewals, etc.....	7,483.86	
Surface and Lease Rentals.....	1,305.00	
Taxes and Assessments.....	1,152.99	
Workmen's Compensation.....	970.03	
Insurance.....	575.83	
	<u> </u>	27,251.77
ADMINISTRATIVE AND GENERAL EXPENSES:		
Salaries.....	\$ 4,616.78	
Office Rental and Expense.....	1,113.44	
Annual Meeting Expense.....	1,043.15	
Travelling Expense.....	675.00	
Miscellaneous Expense.....	465.53	
Telephone and Telegraph.....	454.03	
Advertising and Subscriptions.....	388.62	
Postage, Stationery and Printing.....	227.81	
Legal and Audit.....	200.00	
	<u> </u>	9,184.36
RENTAL, TAXES AND ASSESSMENTS:		
Lease Rentals.....	\$ 5,166.79	
Taxes and Licenses.....	131.11	
	<u> </u>	5,297.90
TRUSTEE'S FEES AND EXPENSES.....		2,071.65
		<u>43,805.68</u>
NET LOSS TRANSFERRED TO DEFICIT ACCOUNT.....		<u>\$ 1,510.98</u>

STATEMENT OF SURPLUS AND DEFICIT ACCOUNTS AS AT JANUARY 31, 1952

CAPITAL SURPLUS:		
Balance as at January 31, 1951.....	\$ 23,756.44	
Add Gain on Sale of Investments.....	115,380.78	
	<u> </u>	
Balance as at January 31, 1952.....	\$139,137.22	
OPERATING DEFICIT:		
Deficit as at January 31, 1951.....	\$158,582.61	
Add: Dividends Paid.....	\$18,499.94	
Net Loss for the Year ended January 31, 1952.....	1,510.98	
	<u> </u>	20,010.92
DEFICIT as at January 31, 1952.....	<u>\$178,593.53</u>	

AUDITORS' REPORT

To the Shareholders,
Davies Petroleums Limited (N.P.L.):

We have examined the books and accounts of Davies Petroleums Limited (N.P.L.) for the year ended January 31, 1952, and in accordance with the provisions of the Companies' Act (British Columbia), we report that we have obtained all the information and explanations we have required.

Provision has not been made during the year under review for depreciation of Fixed Assets or for depletion on producing wells.

In our opinion and subject to the foregoing, the accompanying Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at January 31, 1952, according to the best of our information and the explanations given to us and as shown by the books of the Company.

HENDERSON, TEARE AND WAINES,
Chartered Accountants.

DIRECTORS' REPORT
contained in Fifteenth Annual Report as at January 31st, 1952

To the Shareholders of
Davies Petroleums Limited (N.P.L.):

The Company's Fifteenth Annual Statement sent herewith gives a clear picture of its sound financial position. Your attention is directed to the investment figures in the balance sheet itself and in the surplus and deficit account.

Desiring to pursue a more active development programme in search of oil and gas reserves, your directors intend to submit to a Special General Meeting of shareholders a proposal for raising capital without impairing the Company's liquid position. Details of the proposal are in the notice accompanying this report.

DEVELOPMENT WORK (1951)

Camrose Area:

The Company purchased freehold rights on 520 acres, retaining a one-third interest and furnishing one-third of the drilling costs, had three wells drilled with varying success. The first well was brought into production early in December but income from it did not commence in time to affect the present balance sheet. Extremely cold weather and a quick thaw later made shipments of oil difficult. It is expected that an oil pipeline in this area will be laid during 1952.

Verdant Valley (Drumheller):

A major oil company is soon to drill a well on part of a 4,640-acre farm-out in which your Company earned an interest by furnishing a portion of the cost of a most encouraging but non-commercial oil well in the same township.

Pearce Area:

Your Company joined a number of others in a test well drilled by the A. G. Bailey Company, which proved unproductive.

Turner Valley (South End):

Every effort is being made to get the best possible oil recovery from your wells and they continue to provide sufficient revenue to cover all the Company's operating expenses and a periodic distribution to shareholders, of which the eleventh (\$18,500.00) was made in June, 1951.

Turner Valley (North End):

The Home Oil Company's continued successes in the near vicinity of our 2,600 acres, and the Shell Oil Company's large holdings in this area would indicate that, after many years, your Directors' policy in holding this block of acreage was justified.

Keystone Valley:

Your Company's 480 acres here is located between large blocks of acreage in which Western Leaseholds Ltd. (with Roxana) and the Shell Oil Company are studying with a view to ultimate development.

Hondo:

The Company retains 480 acres of lease here strategically located between the only two large sulphur permits granted by the Alberta Government.

New Enterprises—1952:

During 1951 a 20,000-acre reservation in the Alberta Foothills was secured and a gravity meter survey run along it after a favourable geological interpretation of the survey; your Company, with the owners of an adjoining reservation, decided to pool acreage, thus preparing a sufficient coverage of the indicated structure to justify seismic work and future drilling. The pooled acreage was then turned over to a new company, named Newclare Oils Ltd., with the understanding that a satisfactory seismic survey would compel the drilling of a test well, your Company to receive a substantial block of shares in the new company and a participation right in any development work.

Progress reports will be issued from time to time for shareholders' information.

Oil Securities:

Your Company holds approximately one-fifth of the issued shares of Vulcan Oils Ltd. and 100,000 shares of Decalta Oils Ltd., and is thus quite materially interested in the affairs of these two progressive companies.

Respectfully submitted on behalf of the Board.

"LEONARD PHILLIPS,"

Calgary, Alberta, May 10th, 1952.

President.

**SCHEDULE SHOWING REVENUE FROM PROCEEDS OF PRODUCTION FOR THE YEAR ENDED
JANUARY 31, 1952, AND FOUR MONTH PERIOD ENDED MAY 31, 1952**

PRODUCTION FOR YEAR ENDED JANUARY 31, 1952:

Davies No. 1 Well—7,531 bbls.....	\$25,292.51	
No. 2 Well—Net share from Royalite.....	1,431.62	
No. 4 Well—3,819 bbls.....	12,829.14	
No. 5 Well—1,122 bbls.....	3,657.28	
		\$43,210.55
Devonian Limestone Test.....		181.47
		\$43,392.02

PRODUCTION FOR FOUR-MONTH PERIOD ENDED MAY 31, 1952:

Davies No. 1 Well—4,574 bbls.....	\$14,963.80	
No. 2 Well—Net share from Royalite.....	839.34	
No. 4 Well—1,632 bbls.....	4,968.83	
No. 5 Well—780 bbls.....	2,304.90	
		\$23,076.87
Devonian Limestone Test.....		44.37
		\$23,121.24

PROPERTY SCHEDULE

DISTRICT	Nature of Interest	Area in Acres	Vendor or Lessor of Property	DATE OF LEASE		Total Annual Lease Rental	Lessor Royalty	Other Royalties and Interests		LEASE HELD BY
				Issued	Renewal					
SALTER LAKE W. ½ Sec. 34-26-6, W. 5th	Crown lease 68137	321	Province of Alberta	30/7/41	21 years	321	Sliding Scale			Davies Petroleums Limited, N.P.L.
	Crown lease 69844	481	"	24/3/44	21 years	481	Sliding Scale			"
N.W. ¼ Sec. 7-27-6, W. 5th Lsd. 4, 5, 12, 13 of Sec. 18-27-6, W. 5th	Crown lease 71033	160	"	23/6/45	21 years	160	Sliding Scale			"
	Crown lease 71032	160	"	23/6/45	21 years	160	Sliding Scale			"
Sec. 13-27-6, W. 5th Lsd. 1, 8, 9, 16 of Sec. 13-27-6, W. 5th	Crown lease 81416	160	"	3/1/51	21 years	160	Sliding Scale			"
	Crown lease 80457	318	"	31/12/49	21 years	318	Sliding Scale			"
S.W. ¼ Sec. 6-27-6, W. 5th S.W. ¼ Sec. 6-27-6, W. 5th	Crown lease 80458	159	"	31/12/49	21 years	159	Sliding Scale			"
	Crown lease 68950	40	Motherwill & McEwen	4/7/36	21 years	40	Sliding Scale	10% gross		Prudential Trust
SOUTH TURNER VALLEY Lsd. 8 of Sec. 29-17-2, W. 5th Lsd. 1 of Sec. 29-17-2, W. 5th	Crown lease 68951	40	"	4/7/36	21 years	40	Sliding Scale	10% gross		"
	Crown lease 69993	160	Province of Alberta	3/7/44	21 years	160	Sliding Scale			Davies Petroleums Limited, N.P.L.
NORTH TURNER VALLEY Lsd. 11, 14 of Sec. 2-22-4, W. 5th S.E. ¼ Sec. 12-22-4, W. 5th	Crown lease 63018	477	"	16/2/37	21 years	477	Sliding Scale	1% gross		Prudential Trust
	Crown lease 68842	480	"	15/2/42	21 years	480	Sliding Scale	1% gross		Davies Petroleums Limited, N.P.L.
N. ½ Sec. 12-22-4, W. 5th Lsd. 3 and 6 of Sec. 12-22-4, W. 5th	Crown lease 68843	320	"	15/2/42	21 years	320	Sliding Scale	1% gross		"
	Crown lease 68844	80	"	15/2/42	21 years	80	Sliding Scale	1% gross		"
N.W. ¼ Sec. 11-22-4, W. 5th N.E. ¼ Sec. 11-22-4, W. 5th	Crown lease 71821	159	"	8/8/47	21 years	159	Sliding Scale			"
	Crown lease 73717	159	"	11/8/48	21 years	159	Sliding Scale			"
Lsd. 11, 14 of Sec. 2-22-4, W. 5th S.E. ¼ Sec. 12-22-4, W. 5th	Crown lease 74552	80	"	30/12/48	21 years	80	Sliding Scale			"
	Crown lease 68699	160	"	16/9/42	21 years	160	Sliding Scale			"
Sec. 1-22-4, W. 5th Lsd. 5 of Sec. 12-22-4, W. 5th	C.P.R. 263	640	Can. Pac. Rlwy.	27/4/48	10 years	640	Gas 12½% Nat'l 12½%	1% gross		"
	Crown lease 76243	40	Province of Alberta	25/10/49	21 years	40	Gas 12½% Nat'l 12½%			"
Lsd. 1, 2 of Sec. 14-22-4, W. 5th TURNER VALLEY, ALTA.	Crown lease 73718	80	"	11/8/48	21 years	80	Gas 12½% Nat'l 12½%			"
	Crown lease 86777	40	Madison Oils Ltd.	20/8/29	21 years	40	12½% 12½%	17½% 17½%	17½% 17½%	Prudential Trust under trust agreement
Lsd. 10 of Sec. 18-19-2, W. 5th (well 5)	Crown lease 70069	40	Okalta Oil Ltd.	3/5/34	21 years	40	Sliding Scale	10% 10%	10% 10%	"
	Crown lease 62529	40	British Trans-Canada	12/18/36	21 years	40	Sliding Scale	30% 30%	30% 30%	"
Lsd. 10 of Sec. 32-18-2, W. 5th (well 4)	C. & E. Mc 41	40	Ace Oils	15/5/34		40	28%	Net 42% Net 42%	Net 42% Net 42%	Agreement Ace Oil Ltd., Royallite Oil
	Freehold	200	Hansen Estate	11/9/51	5 years	{ \$100 per acre for amount of land used }	Gas 15% Net 35%	Net 56.66% 56.66%	Net 56.66% 56.66%	Agreement Hansen Estate
CAMROSE, ALBERTA Lsd. 12 and S.W. ¼ Sec. 21-47-20, W. 4th	Freehold	320	"	11/9/51	5 years		Gas 15% Net 35%	Net 40% 40%	Net 40% 40%	"
	Freehold									

N. ½ Sec. 15-47-20, W. 4th
(Davulco No. 1 well on Lsd. 12 of Sec. 21-47-20, W. 4th.)
(Davulco No. 2 well on Lsd. 13 of Sec. 15-47-20, W. 4th)
(Davulco No. 3 well on Lsd. 6 of Sec. 21-47-20, W. 4th)
(Well No. 3 abandoned)

GEOLOGIST'S REPORT

New Davies Petroleums Limited,
409 Lancaster Building,
Calgary, Alberta.

010 Barron Building,
Calgary, Alberta.
June 27, 1952.

Dear Sirs:

At your request I have investigated the recoverable oil reserves of New Davies Petroleums Limited, hereinafter referred to as "the Company". I have also investigated the undeveloped leaseholds controlled wholly or in part by the Company.

Data respecting the Company's properties was obtained from the Company's records and also from my own records. Representations of the management have been accepted as to the interest owned in these lands.

The Company's consulting petroleum engineer, S. F. Shaw, has estimated the remaining gross recoverable oil reserves in the Company's four Turner Valley field producing wells to be 145,700 barrels of which 103,773 barrels is net to the Company's interest after allowance for landowner's and other gross royalty interests. The natural gas reserves present in these wells have not been estimated. The income from the sale of gas from the Davies No. 1 well was \$306.00 in May, 1952.

The Company owns a 26% interest in 200 acres of lands on which the Davulco No. 1 well, a Viking sand producer, was drilled, and a 31.66% interest in 320 acres of lands on which the Davulco No. 2 Viking producer was drilled. These lands are located one mile and two miles to the south, respectively, of the Camrose Viking sand oil pool, in an area which is being actively developed. The Davulco wells are both producing from thin pay sections, underlain by bottom-water. The wells are capable of producing approximately 25 barrels daily. The Davulco No. 3 well was abandoned on the lands.

The Viking sand reservoir in the Camrose area is lenticular with bottom and edgewater occurring at irregular elevations in the reservoir. Water is present with the oil in these individual sand lenses. Some information indicates that a high percentage of connate water is present in the sand. The recovery factor in thin sands, such as those present in many of the wells drilled in the Camrose area, is unknown. For those reasons the recoverable reserves present in the Company's two producing wells, and on the Company's Camrose lands as a whole, have not been estimated at this time.

The Company owns, in addition to its producing properties, interests ranging from 1¼% to 100% on 15,871 acres of undeveloped lands located in the Turner Valley and Keystone Valley areas of the Foothills Belt; the Drumheller, Hanna and Antelope Hills areas of southern Alberta; the Glen Park (Leduc) area of central Alberta; and the Hondo area of northern Alberta.

The Company and its partners are currently drilling the A.P. Con-Socony-Trinidad well on their Drumheller lands.

A summary of the Company's developed oil reserves, and the location of the Company's undeveloped leaseholds is set forth as follows:

DEVELOPED OIL RESERVES

Well	Cumulative Production to June 1, 1952	1952 Production to June	Remaining Gross Recoverable Reserves*	Net Recoverable Reserves	Company Interest	Net Recoverable Reserves to Company Interest
TURNER VALLEY—Davies 1	394,892 bbls.	5,848 bbls.	123,500 bbls.	89,537 bbls.	100%	89,537 bbls.
Davies 2	673,262 "	246 "	1,000 "	720 "	30%	216 "
Davies 4	317,506 "	1,627 "	20,200 "	13,130 "	100%	13,130 "
Davies 5	47,022 "	423 "	1,000 "	850 "	100%	850 "
Totals.....	1,432,682 bbls.	8,144 bbls.	145,700 bbls.	104,237 bbls.		103,733 bbls.
CAMROSE—Davulco 1	3,149 bbls.				36%	
Davulco 2	248 "				31.66%	

*Reserve estimates by S. F. Shaw.

UNDEVELOPED LANDS

Area	Acres	Company Interest
FOOTHILLS BELT—South Turner Valley.....	240	100%
North Turner Valley.....	2,840	100%
Keystone Valley.....	1,600	100%
SOUTHERN ALBERTA—Drumheller.....	4,640	1¼%
Hanna.....	5,760	6%
Antelope Hills.....	160	100%
CENTRAL ALBERTA—Glen Park.....	160	6¼%
NORTHERN ALBERTA—Hondo.....	471	100%
Total.....	15,871 acres	

DEVELOPED LANDS

Turner Valley Field

Location: The Turner Valley oil and gas field is located in Townships 18 to 21 inclusive, Ranges 2 to 4 inclusive, West of the 5th Meridian, 25 miles southwest of the city of Calgary.

Producing Horizon: The principal producing horizons of the Turner Valley field are the upper and lower porous zones occurring in the upper 450 feet of the Rundle (Madison) limestone of Mississippian age. Completion depths range from 6,000 feet to 10,000 feet.

Structure: The Turner Valley field is located at the outer, or eastern, edge of the Foothills Belt. The structure present in the field is complicated, especially at the north end of the field. Production is obtained from a faulted, elongated block of Rundle limestone underlain and bounded on the east by the Turner Valley sole fault. The Rundle anticlinal block dips to the west and plunges out at the northern and southern limits of the field. Edgewater, occurring at depths ranging from —4,100 to 4,500 feet, subsea, forms the western, northern and southern producing limits of the field.

Quality of the Oil: Turner Valley crude is a premium crude, averaging 42° to 44° A.P.I.

Well-head Price of Oil: The present posted field price is \$2.955 per barrel for 41° A.P.I. crude, increasing or decreasing 2 cents for each degree gravity.

Allowables: The Turner Valley field allowable for June, 1952 is set at 7,000 barrels daily, with individual well allowables governed by good field practice, chief among which is the amount of gas produced with oil.

GEOLOGIST'S REPORT (Continued)

Company Lands: The Company owns interests in four producing wells located in the south end of the Turner Valley field. The locations of these wells, their date of completion and Company interest are as follows:

Well	Location	Completion Date
Davies No. 1	Lsd. 2 of Sec. 29-18-2, W. 5th Mer.	March 19, 1938
Davies No. 2	Lsd. 13 of Sec. 21-18-2, W. 5th Mer.	September 7, 1937
Davies No. 4	Lsd. 10 of Sec. 32-18-2, W. 5th Mer.	October 19, 1938
Davies No. 5	Lsd. 10 of Sec. 18-19-2, W. 5th Mer.	May 5, 1940

Company Interest: The Company's interest in the four producing wells is as follows:

	Royalty	Net Company Interest
Davies No. 1	Crown (approximately 10%) plus 17½%—Total 27½%	100%
Davies No. 2	C. & E. plus others—Total 28%	30%
Davies No. 4	Crown (5%) plus 30%—Total 35%	100%
Davies No. 5	Crown (5%) plus 10%—Total 15%	100%

Estimate of Recoverable Oil Reserves: The recoverable oil reserves present in the Company's four producing wells, and the Company's net recoverable reserves and cumulative production, are listed below. The reserve estimates were made by S. F. Shaw, the Company's consulting engineer.

Well	Cumulative Production to June 1, 1952	Production in 1952 to June 1	Gross Recoverable Reserves	Net Recoverable Reserves	Net Recoverable Reserves to Company Interest
Davies No. 1.....	394,892 bbls.	5,848 bbls.	123,500 bbls.	89,537 bbls.	89,537 bbls.
Davies No. 2.....	673,262 "	246 "	1,000 "	720 "	216 "
Davies No. 4.....	317,506 "	1,627 "	20,200 "	13,130 "	13,130 "
Davies No. 5.....	47,022 "	423 "	1,000 "	850 "	850 "
Totals.....	1,432,682 bbls.	8,144 bbls.	145,700 bbls.	104,237 bbls.	103,733 bbls.

It will be noted that the majority of the Company's remaining producible reserves are concentrated in the Davies No. 1 well. This well is still producing 40 barrels daily. Two of the Company's wells, Davies No. 2 and No. 4, are approaching the economic limit of production.

No attempt has been made to estimate the natural gas reserves present in the Company's four producing wells. Sale of gas from the Davies No. 1 well netted the Company the sum of \$306 for May, 1952.

Camrose Field

Location and Lands: The Camrose field is located in central Alberta, in Townships 47 and 48, Range 20, West of the 4th Meridian, approximately 40 miles southeast of Edmonton. The Company owns 26% interest in Lsd. 12 and the southwest quarter of Section 21, Township 47, Range 20, West of the 4th Meridian, comprising 200 acres of lands, and a 31.66% interest in 320 acres of lands comprising the north half of Section 15 in Township 47, Range 20, West of the 4th Meridian.

Geology: The Viking sand of Lower Cretaceous(?) age forms the producing horizon in the Camrose field. Accumulation is stratigraphic in origin and is due to an up-dip pinch-out of the Viking sand, the oil accumulating to the west of the sand pinch-out line.

Complete separation of oil and water is not always present in the individual sands comprising the Viking reservoir, due, probably, to the lenticular nature of the reservoir. The elevation of bottom and edgewater is not constant in the Camrose field, as would be expected in a lenticular sand reservoir. Relatively thin pay sections are present in some wells. Electrologs would suggest a high percentage of connate water is present in some wells. Average completion depth in the Camrose field is approximately 3,200 feet.

Quality of the Oil: Quality of Camrose Viking crude is good, averaging 36 degrees A.P.I.

Field Price of the Oil: There is no pipeline outlet for the Camrose field at present. Applications for a pipeline have been heard by the Petroleum and Natural Gas Reservation Board and it is believed that pipeline facilities will be available shortly. Camrose crude is trucked to the Joseph Lake field, located 12 miles to the northwest of the Camrose field. Present posted field price is \$2.255 per barrel, f.o.b. Joseph Lake.

Allowable: Present Camrose daily well allowable is 50 barrels daily.

Company Development: The Company and its partners drilled and completed the Davulco No. 1 and No. 2 wells on their Camrose lands as Viking sand producers. The Davulco No. 3 well was drilled and abandoned. The Davulco No. 1 and No. 2 wells were each producing an average of 25 barrels daily before production operations were suspended, due to inclement weather. The Davulco No. 1 well had produced a total of 3,149 barrels of oil during three months of production. The Davulco No. 2 well had produced a total of 248 barrels of oil for one month's production. The Davulco No. 1 well cut 12% water and the Davulco No. 2 well cut 21% water during February, 1952, the last month of production.

Recoverable Reserves: Wells produce from relatively thin, lenticular sands in some portions of the Camrose field. The percentage of connate water in these sands may be high. Until a more complete production history is available, it would appear best not to attempt a reserve estimate on these wells. For these reasons no attempt has been made to estimate the recoverable reserves present in the Company's Davulco No. 1 and No. 2 wells, or on the Company's lands as a whole.

UNDEVELOPED LANDS

Foothills Belt

The Foothills Belt is a long narrow belt of structurally complex beds trending northwest and paralleling the Rocky Mountain front to the east. The dominant structural feature of the Foothills Belt is thrust faulting from the west, which has broken the originally flat-lying sediments in a series of west-dipping fault blocks over-riding each other from west to east.

The principal producing horizon in the Foothills Belt is the Rundle (Madison) limestone, which forms the producing horizon in the Turner Valley oil and gas field and in the Jumping Pound and Pincher Creek gas distillate fields. Completion depths range from 6,000 to 10,000 feet in the Turner Valley field; 10,000 feet in the Jumping Pound field; and 12,500 feet in the Pincher Creek field.

GEOLOGIST'S REPORT (Continued)

COMPANY LANDS South Turner Valley

The Company owns a 100% interest in 240 acres of lands comprising Lsd.'s 1 and 8 of Section 29 and the northeast quarter of Section 34 in Township 17, Range 2, West of the 5th Meridian. These lands are located 2¼ miles south and 1¼ miles to the southeast, respectively, of the Turner Valley field.

The Company's lands are located between the Turner Valley field to the northwest and the Pekisko structure to the southwest. The Consumer's Co-op No. 1 well, drilled and abandoned on Section 22, Township 17, Range 2, West of the 5th Meridian, is located immediately to the southeast of the Company's lands. The Consumer's Co-op well was carried down to the Rundle (Madison) limestone occurring at a depth of 10,742 feet.

The Company's leases do not appear attractive at the present time.

North Turner Valley

The Company owns a 100% interest in 2,840 acres of lands located in the North Turner Valley area, 2½ miles to the northwest of present producing limits of the Turner Valley field. The Company's lands are located between the Turner Valley field to the south and the Jumping Pound field, located 15 miles to the north.

Three shallow wells—Lion Davies, Canadian Depositors and Major No. 14—have been drilled on the Company's lands. A number of other wells have been drilled adjacent to the Company's lands. None of the wells drilled on the Company's lands were carried deep enough to prove or disprove the prospects for Rundle production on the Company's lands. The most important well drilled in the general area is the Home Millarville No. 21 well, located approximately one mile to the southwest of the Company's lands. The Home Millarville No. 21 well encountered the Rundle limestone at a depth of 9,582 feet (—5,201 feet, subsea) or approximately 700 feet structurally lower than producing wells in the Turner Valley field. The Home Millarville No. 21 indicates that prospects for Rundle production are present in the area. The Company's leases are, presumably, located up-dip from the Home-Millarville No. 21 well, and are believed to have prospects for Rundle production.

Keystone Valley

The Company owns a 100% interest in 1,600 acres of lands located on the Keystone Valley or Salter Lake structure, situated approximately 10 miles to the northwest of the Jumping Pound field.

Four wells have been drilled in the area adjacent to the Company's lands, two of which were shallow tests. The Roxana No. 3K and 4K wells, located on Section 31 of Township 27, Range 6, West of the 5th Meridian, immediately to the north of the Company's lands, were drilled to depths of 5,560 feet and 11,915 feet, respectively, without encountering the Rundle limestone. The Roxana No. 4K flowed gas at the rate of 189 mcf gas per day on tests of the Dalhousie sand of Lower Cretaceous age. Until disproven, prospects for Rundle production are probably present in the Keystone Valley structure, and on the Company's lands.

SOUTHERN PLAINS AREA Drumheller Area

Company owns a 1¼% interest in 4,640 acres of lands located 6 miles east of the Drumheller Devonian D-2 oil field. The lands were acquired by the Company and its partners under a farm-out agreement from the Socony-Vacuum Exploration Company.

The Company and its partners drilled the A.P. Con-Socony-Warner-Rainbow No. 1 well on their Drumheller lands. This well recovered 945 feet of oil and water on drill stem test of the Devonian D-2 formation from 5,405-5,444 feet. The well was subsequently carried down to the Devonian D-3 formation and abandoned as non-commercial.

The Company and its partners are now drilling the A.P. Con-Socony-Trinidad No. 1 well, located 7 miles northwest of the A.P. Con-Socony-Warner-Rainbow well. This well is currently drilling below a depth of 4,600 feet.

Blanket Devonian D-3 reef is present in the Drumheller area. Accumulation in the Devonian D-2 formation in the Drumheller field is due to local Devonian D-2 closure caused by draping of the Devonian D-2 formation over an underlying Devonian D-3 reef high. The Devonian D-2 oil show present in the A.P. Con-Socony-Warner-Rainbow well is undoubtedly indicative of a Devonian D-3 reef high present on the Company's Drumheller lands. Prospects for commercial Devonian D-2 production are, therefore, believed to be present on the Company's lands.

Hanna Area

The Company owns a 6% interest in a solid block of 5,760 acres of lands located in the Hanna area. The southern boundary of this block is located seven-eighths of a mile to the north of the South Brazeau Hanna No. 4 gas discovery well. This well flowed gas at rates of 2,043,000 cubic feet of gas from the Viking sand at a depth of 3,260 feet, and 5,000,000 cubic feet of gas from the Sunburst sand at a depth of 3,730 feet.

Good prospects for commercial gas production in the Viking and Sunburst sands are believed to be present on the Company's Hanna lands.

Antelope Hills

The Company owns a 100% interest in 160 acres of lands located in the Antelope Hills area. Relatively little drilling has been done in the area. The Company's lands are located three miles to the northwest of the Delhi-B.A. Antelope Hills No. 1 well, which encountered a 600,000 cubic foot gas flow in the Viking sand at a depth of 2,430 feet. All other horizons tested, down to and including the Jefferson formation of Devonian age, were dry.

There are not sufficient wells drilled in the Antelope Hills area to evaluate the prospects for oil and gas accumulation in the area. Prospects for gas accumulation in the Viking sand are believed to be present, with some prospects for oil and gas accumulation in the Sunburst sand and in the top of the Rundle (Madison) limestone. Devonian prospects in the area do not appear to be attractive.

CENTRAL ALBERTA Glen Park Area

The Company owns a 6¼% interest in a 160-acre lease offsetting production in the Glen Park Devonian D-2 and D-3 pool. The Company and its partners drilled the Highwood-McDougall-Sage No. 1 well on Lsd. 15 of the lease. This well was unproductive in the Devonian D-2 and D-3 formations and was abandoned.

The Glen Park pool is a pinnacle-type reef, similar to the Golden Spike reef. Present information indicates that the field boundaries are fairly well outlined on the southern and eastern edges of the pool. Some prospects for Devonian production may be present on Lsd. 16 of the lease. Current north offset drilling to the Company's lease will, in large measure, prove or disprove these prospects.

GEOLOGIST'S REPORT (Continued)

NORTHERN ALBERTA

The Company owns a 100% interest in 471 acres of lands located in the Hondo area. The lands are located two miles to the northeast of the Davies-Decalta Hondo No. 2 well which was completed as a Devonian D-1 natural gas well. The well flowed gas at an estimated 2,000,000 cubic foot per day rate from the uppermost beds of the Devonian D-1 formation.

Blanket Devonian D-3 reef is apparently present throughout the Hondo area. Prospects for Devonian D-2 and D-3 production would be confined to local Devonian D-3 reef highs with resultant Devonian D-2 closure. Some prospects for Devonian production are probably present on the Company's lands.

"IAN M. COOK," R.P.Eng. (Alberta).

CERTIFICATE

I, Ian McLaren Cook, of the City of Calgary, in the Province of Alberta, hereby certify as follows:

1. I am a Consulting Geologist and reside at 1,115 Colbourne Crescent, Calgary, Alberta.
2. I am a graduate of the University of Alberta, and have been practising my profession as a Geologist for 12 years.
3. I am registered as a Professional Engineer in the Association of Professional Engineers of Alberta. I am a member of the American Association of Petroleum Geologists and a member of the Geological Association of Canada.
4. I have no interest, either directly or indirectly, and I do not expect to receive any interest, either directly or indirectly, in the properties covered by the accompanying report to New Davies Petroleums Ltd. or in its securities.
5. The accompanying report is based on a personal examination of all pertinent data referring to the properties in the accompanying report to New Davies Petroleums Ltd., but it is not based on a personal examination of these lands.

June 27, 1952.

"IAN M. COOK," R.P.Eng. (Alberta).

THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

TORONTO STOCK EXCHANGE

NOV 9 1961

FILING STATEMENT No. 628.
FILED, OCTOBER 19th. 1961.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company
Incorporated under The Companies Act of the Province of Alberta May 12, 1952
(Successor to Davies Petroleum Limited (N.P.L.) incorporated under the Companies
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 Act of British
(Ontario) by Letters Patent dated May 1st, 1957). Columbia January 8, 1937)

FILING STATEMENT

Reference is made to previous
Filing Statement No. 622.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	We propose to acquire from Jamaica International Explorations Limited two groups of mining claims in the Province of Que. for 400,000 shares of our Treasury Stock. Group one is 8 claims covering 800 acres in Duprat Township, located 5 miles west of the recent Lake Dufault mines discovery. The second group is six claims covering 600 acres in La Reine Twp., seven miles north of the recent discovery by Area Mines; with 50% of these shares to be placed in escrow under the direction of the Toronto Stock Exchange.
2. Head office address and any other office address.	Head Office - Lower Floor, Anglo-American Building, 330 - 9th Avenue S.W., Calgary, Alberta. Executive Office - Suite 401, 67 Richmond St. West, Toronto, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and C.D. Cameron, 20 DeForest Road, Toronto, Ontario. Director - Mining and Petroleum Corporation Executive. Vice-President F. Gordon Elves, 330-9th Ave. S.W., Calgary, Alberta. and Director - Broker. Sec.-Treas. & E.F. Furniss, 39 Marydon Crescent, Agincourt, Ontario. Director - Mining and Petroleum Corporation Executive. Director - R. Charles Ayling, 17 DeForest Road, Toronto, Ontario. Retired Executive of the T. Eaton Co., Ltd. Director - Earl Brown, 28 Mason Boulevard, Toronto, Ontario. Barrister and Solicitor. Director - William Karrys, 25 Lascelles Boulevard, Toronto, Ont. Customer's Man, Houston & Co., Toronto, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	4,000,000 shares with a par value of 50¢ per share of which 2,013,937 have been issued.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	It is proposed to undertake an exploratory programme on the claims listed in Item #1.

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED
Balance Sheet
as at August 31, 1961

ASSETS

CURRENT ASSETS

Cash	2,406.33	
Due from Broker	83,543.28	
Accounts Receivable	612.52	
Loan Receivable	<u>1,500.00</u>	88,062.13

INVESTMENTS

Marketable shares, at cost (market value \$43,918.00)	31,818.06	
Royalties, at nominal value	<u>2.00</u>	31,820.06

CAPITAL ASSETS

Interest in petroleum and natural gas leases and producing wells thereon, acquired from predecessor company	101,239.89	
Additions, at cost	<u>23,094.23</u>	124,334.12
Production equipment acquired from predecessor company	23,153.69	
Additions, at cost	<u>4,424.82</u>	27,578.51
Office Furniture & Fixtures, at cost	<u>60.00</u>	151,972.63

ORGANIZATION EXPENSES

6,175.42
278,030.24

LIABILITIES

CURRENT LIABILITIES

Accounts Payable		2,178.27
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CAPITAL AND DEFICIT

Capital Stock			
Authorized - 4,000,000 shares of 50¢ par value each.			
Issued - 2,013,937 shares fully paid	1,006,968.50		
Less - discount	<u>45,000.00</u>	961,968.50	
Deficit, at June 30, 1961	685,776.76		
Add: - deficit July 1 to Aug. 31/61	<u>339.77</u>	686,116.53	275,851.97
			<u>278,030.24</u>

Approved on behalf of Directors

Director

Director

NEW DAVIES PETROLEUMS LIMITED
Statement of Operations
Two Month Period Ending August 31, 1961

Sales of production from Wells		14.87
Less: Royalties	.93	
Operating Costs	<u>161.09</u>	162.02
Loss on Operations		147.15

Administrative and General Expenses

Accounting & Secretarial Services	500.00	
Management Fees	300.00	
Miscellaneous Expenses	<u>2.15</u>	802.15
Less:		
Sundry Income - Interest Earned	<u>609.53</u>	192.62
Net loss for period - transferred to deficit		<u>339.77</u>

NEW DAVIES PETROLEUMS LIMITED
Statement of Source and Application of Funds
September 1, 1961 to September 30, 1961

Source of Funds

N11

Application of Funds

Net loss from Operations	351.34
Purchase of Office Equipment	<u>105.00</u>
Net Decrease in Working Capital	<u>456.34</u>

Changes in Working Capital

Decreases

Decrease in Cash	<u>456.34</u>
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ENGINEER'S REPORTS

To the President,
New Davies Petroleums Limited,
67 Richmond Street West,
Toronto, Ontario.

S U M M A R Y R E P O R T

Claim Group

Rouyn-Noranda District - Quebec

Duprat Township

S U M M A R Y a n d R E C O M M E N D A T I O N S

These claims lie on the south limb of a broad anticline which plunges east. Andesite largely outcrops on this limb while due to faulting along the crest rhyolites predominate along the north limb. This suggests the near presence of an andesite-rhyolite contact which is the favoured horizon in this district for ore search.

The north east trending Hunter Creek Fault crosses the south east corner of the property. Portions of this fault are sheared and mineralized.

Two successful gold mines are producing in the near area.

This ground presents prospects for a wisely planned search for gold ore, or for sulphide ore and should be acquired.

C L A I M S

The group consists of eight claims each of 100 acres numbered certificates 187698-2, -1: 187697-2, -1: 187696-2, -1: 187695-2, -1: These embrace in the same order lots 27 - 34 inclusive, Range VI, Duprat Township, Rouyn-Noranda District, Quebec. Claims expire September 21, 1962.

G E O L O G Y

The geology is somewhat complex. North of the property passes an easterly plunging anticline along the crest of which in this particular area a fault disrupts the formations. North of the fault mainly rhyolite predominates and andesites in the south segment. Also in this same segment is a mixed area of diorite. In orebearing areas to the east, diorite, probably the same as this, is post-ore and also masks out much of the ore-favourable geology.

It is a worth while venture to probe beneath the andesite and the diorite, which predominate on the property, to seek a rhyolite-andesite contact. This is the favoured ore locale in warped areas and was again proven in the new discovery at Lake Dufault Mines some five miles east.

A regional fault, in places sheared and mineralized, crosses the south east corner of the property.

In the close area two gold mines are operating successfully.

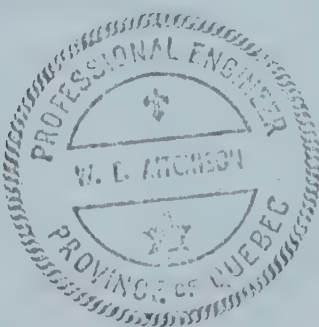
This property promises reasonable chances of successful exploration.

S C H E M E O F E X P L O R A T I O N

Geophysics rarely yield information of value in this area. As a preliminary test two holes each of 1,000 feet should probe below the andesite and diorite.

First expenditures are estimated at \$10,000.

Noranda, Quebec
October 4, 1961



W. E. Aitchison
W. E. Aitchison, P. Eng.
Consulting Engineer

To the President,
New Davies Petroleums Limited,
67 Richmond St. West,
Toronto, Ontario.

S U M M A R Y R E P O R T

Claim Group

District of Abitibi West - Quebec

La Reine Township

SUMMARY and RECOMMENDATIONS

Area Mines have discovered native silver in a drill hole in this area under conditions reminiscent of Cobalt. Diabase of the same lithological character as the Nipissing diabase at Cobalt has been mapped in the area.

The conditions of deposition of the Area Mines discovery are not yet evident and will probably take some time to clarify. However, the possibility of a repetition of the Cobalt camp seems an alluring possibility which commands investigation.

From a current viewpoint any ground in the volcanics is potential. A small granite boss separates this ground from the discovery. Both flanks are no doubt subject to the same influence from this intrusion.

This ground has speculative chances. Acquisition is justified.

CLAIMS

In official records these claims are designated as certificates 186286, 186285, 186284 each claims 2 and 1, and embrace lots 25-30 inclusive. Range VI La Reine Township, District of Abitibi West, Quebec. Claims expire September 14, 1962 and embrace 600 acres more or less.

GEOLOGY

The predominant rocks are basic lavas, mainly andesites. These are tightly folded and dips are steep. Granite has intruded this assemblage in the form of widely spaced small stocks. One such stock lies between the discovery and this group. Should the granite have any influence on ore genesis the discovery and this group should be equally affected.

A diorite outcrop lies about 8 miles northeast of the claims, which is completely reminiscent of the diabase at Cobalt which seems an important feature of silver occurrence at this camp.

Outcrops in the area are few. This claim group, however, can show 40% rock exposure.

SCHEME OF EXPLORATION

The rock exposures should be mapped geologically in minute detail. Geological studies should be extended outside the group area seeking enlightenment on ore control.

The possibilities of geophysics should be carefully studied but not adopted until a vivid conception of all conditions is plain.

For immediate requirements the sum of \$7,000. is required.

Noranda, Quebec

October 4, 1961


W. E. Aitchison, P. Eng.
Consulting Engineer

D E C L A R A T I O N

I, William E. Aitchison, Mining Engineer, declare that:

1. I am a Canadian citizen by British birth and reside at Noranda, Quebec.
2. I am a graduate mining engineer from the University of Otago, New Zealand.
3. I am a member of the Corporation of Professional Engineers of Quebec.
4. I have practiced my profession for 40 years and have held positions of responsibility in both exploration and operation.
5. I have no interest in the property or securities of the vendor company, direct or indirect, nor do I anticipate any interest.
6. This report is based on a personal knowledge of the area through personal contact with many geologists and engineers who have thoroughly studied the area. I visited the property on September 29, 1961.

Dated at Noranda, Quebec, this 3rd day of October, 1961.

Witness:

W. E. Aitchison
W. E. Aitchison



10. Brief statement of company's chief development work during past year.	Completed one well with Mill Creek Oil Co. Ltd. in the Bluewing Lake Area in Manitoba.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Jamaica International Explorations Ltd. of 67 Richmond St. West, Toronto, is the vendor of the mining claims outlined in Item #1 of this Filing Statement; our Company proposes to acquire a 100% interest in these claims for 400,000 shares of our Treasury Stock; 90% escrowed.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	The persons having a greater interest than 5% in Jamaica International Explorations Limited, are as follows:- A.H. Blackburn, 23 Latham Avenue, Toronto 13, Ont. Raymore Developments Ltd., 67 Richmond St. West, Toronto, Ont.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	None
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	128,742 shares - T.A. Richardson & Co. Ltd., 4 King Street West, Toronto, Ontario. 100,400 " - Jerkin, Evans & Company, 366 Bay Street, Toronto, Ontario. 90,350 " - Thomson & McKinnon, 55 Yonge Street, Toronto, Ontario. 81,646 " - James Richardson & Sons, 173 Portage Ave. East, Winnipeg 2, Manitoba. 70,400 " - Houston & Company, 335 Bay Street, Toronto 1, Ontario. The signatories have no knowledge of the beneficial owners of the above listed shares.
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Present management are in a position to materially affect control of the Company if they are able to obtain proxies from the larger shareholders as shown under Item 15.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	14,800 Highland Bell Ltd. - Cost - \$23,036. Present Market - \$33,300.00.
18. Brief statement of any lawsuits pending or in process against company or its properties.	None.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	None.

DATED October 13th, 1961.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.) NEW DAVIES PETROLEUMS LIMITED.

"C.D. Cameron"

"E.F. Furniss"

CORPORATE
SEAL
PRESIDENT

CERTIFICATE OF UNDERWRITER OR OPTIONEE

SECRETARY-TREASURER.

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 784.
FILED, AUGUST 23rd, 1962.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company
Incorporated under The Companies Act of the Province of Alberta May 12, 1952
(Successor to Davies Petroleum Limited (N.P.L.) incorporated under the Companies Act of
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957). British Columbia January 8, 1937).

FILING STATEMENT

Reference is made to previous Filing Statement
No. 628 and Amending Filing Statement No. 59.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Acquisition of working option on mining claim in the Cobalt, Ontario, area. See Schedule "A" hereto for particulars. Change of control of Company as referred to in Item 14 hereof.
2. Head office address and any other office address.	Head Office - 400 Canadian Bank of Commerce Building, 309-8th Avenue West, Calgary, Alberta. Executive Office-Suite 401, 67 Richmond St. West, Toronto, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and C.D. Cameron, 20 DeForest Road, Toronto, Ontario. Director - Mining and Petroleum Corporation Executive. Vice-President F. Gordon Elves, 330-9th Ave. S.W., Calgary, Alberta. & Director - Broker. Sec.-Treas. & E.F. Furniss, 39 Marydon Cresc., Agincourt, Ontario. Director - Mining and Petroleum Corporation Executive. Director - R. Charles Ayling, 17 DeForest Rd., Toronto, Ontario. Retired Executive of The T. Eaton Co., Ltd. Director - Earl Brown, 28 Mason Blvd., Toronto, Ontario. Barrister and Solicitor. Director - Russell J. Murphy, 848 Beaufort Street, Oshawa, Ont. Barrister and Solicitor.
4. Share capitalization showing authorized and issued and outstanding capital.	4,000,000 shares with a par value of 50¢ per share of which 2,613,937 have been issued.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company plans to proceed forthwith in carrying out development work on the mining claim in the Cobalt camp relative to which it holds a working option as particularized in Schedule "A" hereto. Such development work will be in implementation of the recommendations contained in the Report of L. J. Cunningham, Mining Engineer, dated August 13th, 1962, and filed with this Filing Statement.
10. Brief statement of company's chief development work during past year.	During the past year the Company's activities were concentrated on the eight claim group held by it in Duprat Township, Quebec. Four holes totalling some 2,207 feet were diamond drilled without encountering any mineralization of significance. The Company accordingly has no future plans for any development work on these claims.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Louis Cadesky, 100 Adelaide Street West, Toronto. Reference is made to Schedule "A" hereto for particulars of the agreement dated August 14th, 1962 between Mr. Cadesky and the Company. This is Schedule "A" referred to in the Annexed Filing Statement of New Davies Petroleum Limited. The Company entered into an agreement dated August 14th, 1962 with Louis Cadesky as Optionor whereunder, in consideration of the payment to Mr. Cadesky of the sum of \$10,000, the Company was granted a working option on one patented mining claim covering part of Lot 3, Concession 5 in the Township of Coleman, the same being recorded in the Land Titles Office at Haileybury as Parcel Number 12335, South Section Temiskaming. The Company has agreed that during the working option, which extends for a period of six months from the date of the agreement, it will expend not less than \$30,000. in carrying out development work on the mining claim. At any time after this sum has been expended, and during the working option period, the Company may notify to the Optionor its intention to incorporate a new company (known as the "Proposed Company") with an authorized capital not exceeding 5,000,000 shares. Following the incorporation of the Proposed Company, the mining claim will be transferred to it for the maximum number of shares as may be permitted by the then current policy of the Ontario Securities Commission and said shares are to be divisible equally between the Optionor and New Davies Petroleum Limited. The agreement contains provisions escrowing vendor's shares of the Proposed Company as required and miscellaneous operative clauses.

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED

BALANCE SHEET, AS AT JUNE 30, 1962.

PREPARED FROM THE BOOKS OF THE COMPANY WITHOUT AUDIT.

ASSETS

Current Assets

Cash		\$ 5,132.80	
Sundry Deposits		70.32	
Accounts Receivable - Proceeds from production		2,495.57	
On deposit with Brokers		118,602.57	
Loans Receivable		<u>1,500.00</u>	\$127,801.26

Investments

Marketable shares, at cost (market value \$25,500.00)		29,189.55	
Royalties, at nominal value		<u>2.00</u>	29,191.55

Capital Assets

Interest in Petroleum & Natural Gas Leases and producing wells thereon acquired from predecessor Company	\$101,239.89		
Additions, at cost	<u>21,111.48</u>	122,351.37	
Production equipment acquired from predecessor Company	23,153.69		
Additions, at cost	<u>2,530.96</u>	25,684.65	
Mining Claims		44,000.00	
Office Equipment, at cost		<u>693.39</u>	192,729.41

Deferred Assets

Preproduction development costs - Mining		10,614.95	
Prepaid Insurance		212.34	
Organization Costs		<u>6,175.42</u>	17,002.71
			<u>\$366,724.93</u>

LIABILITIES

Current Liabilities

Accounts Payable		\$ 1,479.94
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Capital & Deficit

Capital Stock

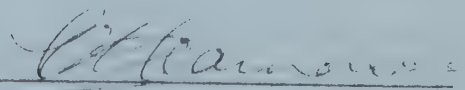
Authorized-4,000,000 shs.
of 50¢ each

Issued as fully paid:			
2,613,937 shares	\$1,306,968.50		
Less discount thereon	<u>271,000.00</u>	<u>\$1,035,968.50</u>	

Deficit

Balance, July 1, 1961	705,505.89		
Deduct:			
- Profit on operations for year ending June 30/62	\$14,983.39		
- Profit on sale of securities during year	<u>\$19,798.99</u>	<u>34,782.38</u>	<u>670,723.51</u>
			<u>365,244.99</u>
			<u>\$366,724.93</u>

APPROVED ON BEHALF OF THE DIRECTORS:





NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF OPERATIONS

FOR THE YEAR ENDING JUNE 30, 1962

Sales of Production from Wells	\$13,080.42	
Recovery of Development costs	<u>13,252.95</u>	\$26,333.37
Deduct - Royalties	\$ 1,198.69	
- Operating expenses	<u>6,742.50</u>	<u>7,941.19</u>
<u>Net profit from Production</u>		\$18,392.18
Add: Administrative and General Expenses		
Accounting and Secretarial Services	\$ 3,100.00	
Legal and audit	838.00	
Transfer Agents Fees	237.93	
Shareholders Meeting Expense	733.27	
Stock Exchange Fees and Expenses	1,009.81	
Directors Fees	475.00	
Management Fees	900.00	
Miscellaneous Expenses	364.15	
Telephone and telegraph	<u>158.20</u>	<u>7,816.36</u>
<u>Net profit before Sundry Income</u>		\$10,575.82
Deduct - Sundry Income:		
Dividends Earned	\$ 370.00	
Interest Income	<u>4,037.57</u>	<u>4,407.57</u>
<u>Net Profit for year - transferred to deficit</u>		<u>\$14,983.39</u>

NEW DAVIES PETROLEUMS LTD.

STATEMENT OF DEFERRED EXPLORATION - MINING

YEAR ENDING JUNE 30, 1962.

Balance Forward - June 30, 1961	Nil
Additions during year:	
Engineer's Fees and Expenses	\$ 1,071.30
Engineer's Reports	844.00
Lease Rents	40.00
Diamond Drilling	8,482.70
General Surface Exploration	172.87
Unemployment Insurance	4.08
<u>TOTAL DEFERRED DEVELOPMENT COSTS</u>	<u>\$10,614.95</u>

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF SOURCE & APPLICATION OF FUNDS

JULY 1, 1961 TO JUNE 30, 1962.

<u>Source of Funds</u>		
Sale of Investments	\$ 79,850.25	
Sale of Capital Stock	30,000.00	
Profit on Operations	<u>14,983.39</u>	\$124,833.64
<u>Application of Funds</u>		
Purchase of Investments	66,204.00	
Purchase of Production Equip.	3,821.14	
Purchase of Office Equip.	693.39	
Deferred Mining Costs for period	10,614.95	
Prepaid Accounts	<u>212.34</u>	<u>81,545.82</u>
Net increase in Working Capital		\$ 43,287.82
<u>Changes in Working Capital</u>		
<u>Increases</u>		
Increase in Cash	\$ 2,750.31	
Increase in Accounts Receivable	1,947.52	
Increases in deposit with broker	22,887.57	
Decrease in Accounts Payable	<u>15,702.42</u>	
Net increase in Working Capital		<u>\$ 43,287.82</u>

K. L. O'Connor DIRECTOR:

E. J. Wilson DIRECTOR:

New Davies Petroleum Limited

HEAD OFFICE
400 CANADIAN IMPERIAL BANK OF COMMERCE BUILDING
300 - 8TH AVENUE WEST
CALGARY, ALBERTA

EXECUTIVE OFFICES
SUITE 401
87 RICHMOND STREET WEST
TORONTO, ONTARIO

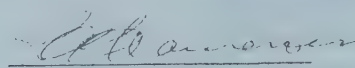
August 22nd, 1962.

Toronto Stock Exchange,
234 Bay Street,
Toronto 1,
Ontario.

Dear Sirs,

With reference to our Filing Statement of the
21st August, 1962, we herewith enclose a balance sheet
and other related financial statements, as at 30th June,
1962, and certify that there has been no material change
in the assets and liabilities of the Company up to
today's date.

Yours very truly,
NEW DAVIES PETROLEUMS LIMITED,


C. DOUGLAS CAMERON, President.

CDC:CMB.


E. FRANKLIN FURNISS, Secretary-
Treasurer.

ENGINEER'S REPORT

Note - The following are excerpts from a report by L.J. Cunningham, B.Sc.,
P.Eng., dated August 13th, 1962, on claim No. 513 located in Coleman Township,
Cobalt, Ont. A complete copy of the report is on file with the Toronto
Stock Exchange.

SUMMARY & CONCLUSIONS

- i) The property consists of one 20 acre claim which constitutes a silver prospect in Coleman Township two miles from Cobalt, Ontario.
- ii) Prior to 1920 considerable trenching, several test pits and a 100 foot shaft had been completed. Several hundred feet of crosscutting entered the southwest corner of the property from the 500 foot level of the Silver Leaf north shaft.
- iii) The claim is underlain by Mississauga diabase which is believed to rest on Keewatin rocks.
- iv) Within 1,000 feet of the south boundary of the claim over 49 million ounces of silver have been won from the Kerr Lake and Crown Reserve Mines. Most of this production was from the Cobalt Series sediments and the Keewatin rocks but one important vein, Kerr Lake No. 3, produced an estimated 3 million ounces of silver from an ore shoot located centrally within the diabase sill.
- v) Within one mile of the north boundary of the claim over 90 million ounces of silver have been recovered from ores associated with the lower diabase-Keewatin contact on the Mississauga and O'Brien Mines. The former mine is dormant but the O'Brien has been in continuous production for over 50 years.
- vi) Within 2,000 feet of the north boundary over 900,000 ounces of silver have been recovered from the Reliance and Nova Scotia claims from ores associated with Keewatin-diabase rocks of the upper contact.
- vii) Within $\frac{1}{2}$ mile of the north boundary, Hix Athabasca Uranium Mines have since 1960 successfully developed silver ore on a number of veins associated with Keewatin-diabase rocks of the lower contact. Mill tests on stock-piled ore have been promising and this property may become one of the new producers of the area.
- viii) One drill hole has been completed and a second hole started on the current drilling program on claim 513. Both holes are designed to cut the Cyril Lake fault in the northwest corner of the claim. No. 1 drill hole cut a number of veins, 3 of which gave silver values of 3 to 4 oz. per ton over $\frac{1}{2}$ " to 2". No. 2 drill hole intersected a 6" quartz-calcite vein which gave 15.4 oz. silver per ton over 6".

Claim 513 has attractive possibilities of yielding ore bodies of the following categories:

- (I) those associated with the upper contact of the Nipissing diabase sill. (e.g. the Reliance and Nova Scotia)
- (II) those located centrally within the Nipissing diabase sill. (e.g. Kerr Lake No. 3 vein)
- (III) those associated with the lower contact of the Nipissing diabase sill. (e.g. O'Brien, Rix Athabasca)

RECOMMENDATIONS

To explore the economic potential of this property, the writer strongly recommends that the following program be considered:

	Estimated Cost
i) Detailed geological mapping of the property including line cutting	400.00
ii) Diamond drilling - a minimum of 10,000 feet	25,000.00
iii) Engineering 6 months @ 750.00	4,500.00
iv) Allowance for contingencies	7,500.00
	<u>\$ 37,400.00</u>

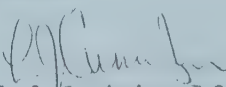
CERTIFICATE

I, Leonard J. Cunningham, of 1 McPhee Avenue, Kirkland Lake, Ontario, do hereby certify that:

- 1. I am registered professional engineer residing at the above address,
- 2. I am graduate of Queen's University in Mining Engineering and I have practiced as a mining engineer since 1943,
- 3. I have no interest directly or indirectly, nor do I expect to receive any interest either directly or indirectly in the properties reported on herein or in the securities of New Davies Petroleum Limited,
- 4. My report dated 13th August, 1962, is based upon government maps and reports upon verbal communications with J.G. Williams, B.A.Sc., P.Eng. and upon the writer's personal knowledge of the Cobalt Area.

Dated at Cobalt, Ontario this 13th day of August, 1962

Signed,


L. J. Cunningham, B.Sc., P. Eng.,
Mining Engineer.

NEW DAVIES PETROLEUMS,

Final Progress Report.

Drilling was ceased on the New Davies Petroleum, Duprat Township, Noranda Area, on December 21, 1961.

Four holes had been drilled.

Hole No. 1	- 90°	00 to 72½ feet	72½ feet
No. 2	- 90°	0 to 43¼ feet	43¼ feet
No. 3	- 90°	0 to 4¼ feet	4¼ feet
No. 4	- 90°	0 to 6¼ feet	6¼ feet

Total Footage Drilled 2,277 Feet

There was nothing of importance in the core. Each hole commenced in Andesite and passed through this into the Rhyolite. There was no mineralization nor structure to commend this contact as possibly harbouring sulphide ore.

The contact surface seems to be quite irregular, the irregularities being gentle and not sharp which later condition is more favourable to ore.

The volcanics seem to strike north west - south east with a gentle dip of 25° to the south west.

Findings are not encouraging. Until more in general is known about this immediate area no further work is recommended.

Attestation, I. Eng.

Noranda, Que.,
January 1, 1962.

12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	None other than the Vendor named in Item 11.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	360,000 shares of the Company are held in escrow subject to release only on consent of the Toronto Stock Exchange.
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	All escrowed shares are beneficially owned by Jamaica International Explorations Ltd and the only persons having a greater than 5% interest in this corporation are A. H. Blackburn, 23 Latham Avenue, Toronto, Ontario and Raymore Developments Ltd., 67 Richmond Street West, Toronto, Ontario. Following the acceptance for filing of this Filing Statement beneficial ownership of these shares will pass to Compact Investments Limited and the only persons having a greater than 5% interest in this company are Percy Waxer, 85 Forest Grove Drive, Toronto, Ontario and Ralph Fisher, 678 Briar Hill Avenue, Toronto, Ontario.
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	Jamaica International Explorations Ltd., 401-67 Richmond Street West, Toronto, Ontario. 360,000 shares (escrowed). * Houston & Co., 335 Bay Street, Toronto 1, Ontario, 249,400 shares * Thomson & McKinnon, 55 Yonge Street, Toronto, Ontario, 148,350 shares * Jenkin Evans & Co., 366 Bay Street, Toronto, Ontario, 119,220 shares * T. A. Richardson & Co. Ltd., 4 King Street West, Toronto, Ontario. 115,592 shares * The Company does not know who are the beneficial owners of these shares.
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Following the transfer of beneficial ownership in the escrowed shares referred to in paragraph 14, Compact Investments Limited would be in a position to materially affect control of the Company.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	6,500 shares Van Der Hout Assocs. Ltd. Cost - \$18,109.00 Present Market - \$17,550.00 30,500 shares Stanwell Oil & Gas Ltd. Cost - \$10,593.75 Present Market - \$8,235.00
18. Brief statement of any lawsuits pending or in process against company or its properties.	None.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	None There are no shares of the Company in course of primary distribution to the public.

CERTIFICATE OF THE COMPANY

DATED August 21st, 1962.

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.) NEW DAVIES PETROLEUMS LIMITED.

"C.D. Cameron"

"E.F. Furniss"

CORPORATE
SEAL PRESIDENT.

SECRETARY-TREASURER.

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 929.

FILED JUNE 6th. 1963.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of company
Incorporated under the Companies Act of the Province of
Alberta on May 12th, 1952.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No. 784.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) acquisition of License to Explore lands in Parish of Ardnamurchan, County of Argyll, Scotland (see Schedule "A" hereto) (b) underwriting and optioning of treasury shares (see Item 6) (c) calling of special general meeting of Shareholders to change by special resolution the shares of the Company from shares of a par value of 50¢ to shares without nominal or par value. (See Schedule "A" on page 2).
2. Head office address and any other office address.	Head Office: 400 Canadian Bank of Commerce Building, 309- 8th Avenue, Calgary, Alberta Executive Office: 714-62 Richmond St. West, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and Director - Earl Brown, Solicitor, 28 Mason Blvd., Toronto, Ontario. Vice-President and Director - Martin Fremont, Travel Agent, 740 Briar Hill Avenue, Toronto, Ontario. Secretary/Treasurer and Director - E. F. Furniss, Mining and Petroleum Corporate Secretary, 39 Marydon Cres. Agincourt, Ontario. Director - Bruce Albert Blackburn, Insurance Company Supervisor, 23 Latham Avenue, Scarborough, Ontario. Director - Robert Brown, Corporate Secretary, 91 Elm Ridge Drive, Toronto, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	4,000,000 shares of the par value of 50¢ each of which 2,613,937 shares are issued and outstanding as fully paid and non-assessable.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	By agreement dated May 30th, 1963, S.J. Brooks & Co., 185 Bay Street, Toronto, Ontario, acting solely on behalf of its client hereinafter named, agreed to purchase 200,000 shares of the Company at 15¢ per share, payable within 3 days of the changing of the shares of the Company from shares of the par value of 50¢ per share to shares without nominal or par value (the date of such change being hereinafter referred to as the "effective date"). In consideration of such agreement to purchase S.J. Brooks & Co., acting on behalf of its client was granted options to purchase an additional 800,000 shares of the Company as follows, the time of exercise of such options being calculated from the effective date; 200,000 shares at 15¢ per share within three months of the effective date; 200,000 shares at 20¢ per share within six months of the effective date; 200,000 shares at 25¢ per share within nine months of the effective date and 200,000 shares at 30¢ per share within twelve months of the effective date.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	In entering into the agreement referred to in Item 6, S.J. Brooks & Co. acted solely on behalf of its client, Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario. The only person having a greater than 5% interest in Compact Investments Limited is Percy Waxer, 85 Forest Grove Drive, Toronto, Ontario
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company intends to proceed forthwith with development work on the property it is acquiring in Scotland to implement the various recommendations contained in the Report of T.C. Phemister dated May 26th, 1963, which accompanies this Filing Statement. The Company has let a contract for a minimum of 5000 feet of diamond drilling to commence forthwith on said property. The first two holes to be drilled will each have a depth of 700 to 800 feet. Cost of drilling is estimated at approximately \$6.00 per foot which will cover all charges of the contractor, incidentals and assaying, but not the Company's own supervision. Monies will also be used to purchase necessary equipment and for general administrative purposes.

THIS IS SCHEDULE "A" referred to in the
annexed Filing Statement.

The Company has entered into an Agreement dated May 30, 1963 with Scottish Canadian Highland Development and Exploration Limited as Vendor whereunder the Company has agreed to purchase from the Vendor all of its interest in and to approximately 580.8 acres of land (hereinafter referred to as the "Mining Lands") under a certain Minute of Agreement dated April 25, 1963 (hereinafter referred to as the "Exploratory License") entered into between the Secretary of State for Scotland and the Vendor. The Exploratory License grants to the Vendor the right and license to explore for minerals on a tract of land in the Parish of Ardnamurchan, County of Argyll, Scotland. Reference is made to the attached Report of T. C. Phemister for further particulars of the Mining Lands. The Exploratory License runs for a period of one year from April 10, 1963 with right of one month's notice to surrender any part of the lands covered thereby. The holder of the Exploratory License is required to reimburse holders of surface rights for damages caused thereto. At any time during the currency of the Exploratory License, application may be made for the grant of a mining lease in and to the lands covered thereby or any part thereof. In general, the lease runs for a term of 30 years with breaks at 5 year intervals permitting the tenant to terminate the lease on six month's notice in writing. The Lessee is permitted to mine and remove minerals paying a yearly rental of One Hundred Pounds during the first three years of the lease and Five Hundred Pounds for succeeding years, together with a yearly royalty equal to 4% of net profits as, taking into account such royalty payment, would be assessable for income tax purposes in Scotland; provided that yearly rental payments may be off-set against royalty payments for such year. If gold or silver are extracted, an additional royalty is payable equal to one-tenth of the value of such gold or silver. All realty taxes, rates and other charges against the lands demised under the lease are payable by the Lessee. The Lessee is also responsible to compensate the holders of surface rights for damages caused thereto. The aforementioned Agreement is subject to the obtaining within three months from the date thereof of the consent of The Secretary of State for Scotland to the transfer of the Vendor's interest in the Mining Lands under the Exploratory License from the Vendor to the Company.

The price or consideration payable to the Vendor is the sum of \$125,000.00. The Vendor has agreed to acquire 230,000 presently escrowed shares of the Company from Compact Investments Limited for the consideration of \$115,000.00. Previously issued shares of the Company, issued at a discount from par, are subject to possible calls of \$115,000.00 (being the total aggregate difference between issuance price and par). The Company has released all parties who directly or indirectly might be responsible or liable relative to these calls from any liability in connection therewith. In consideration thereof, Compact Investments Limited has agreed to pay or cause to be paid to the Company the sum of \$115,000.00 being the total possible amount of said calls.

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED

Balance Sheet

as at April 30, 1963

ASSETS

Current Assets

Cash	21,494.43	
Interest bearing demand deposit	85,000.00	
Accounts Receivable	31.00	
Loan Receivable	<u>1,500.00</u>	108,025.43

Investments

Marketable shares, at cost	10,593.75	
Royalties, at nominal value	<u>2.00</u>	10,595.75

Capital Assets

Interest in petroleum and natural gas leases & productive wells therein acquired from predecessor company	37,136.17	
Additions, at cost	<u>21,111.48</u>	58,247.65
Production equipment, at cost,	10,694.94	
Mining claims, at evaluation		
attributed to 200,000 shares of the Company's capital stock issued for claims	22,000.00	
Office Equipment, at cost	<u>633.39</u>	91,575.98

Deferred Assets

Mine Exploration Expenditures, per statement	12,706.99	
Organization Costs	<u>6,175.42</u>	<u>18,882.41</u>
		<u>229,079.57</u>

LIABILITIES

Current Liabilities

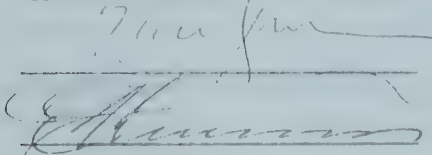
Accounts Payable		2,722.73
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Capital and Deficit

Capital Stock

Authorized - 4,000,000 shares, par value 50¢ each.		
Issued & fully paid : 2,613,937 shares	1,306,968.50	
Less: discount thereon	<u>271,000.00</u>	
	1,035,968.50	
Deficit, per statement	<u>809,611.66</u>	<u>226,356.84</u>
		<u>229,079.57</u>

Approved on behalf of the Directors



NEW DAVIES PETROLEUMS LIMITED

Statement of Operations

Ten Month Period Ending April 30, 1963.

Loss from Oil Production	239.42
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Administrative and General Expenses

Accounting & Secretarial Services	3,000.00
Management Fees	600.00
Share Issue and transfer expenses	1,114.98
Legal and Audit Fees	956.00
Shareholders' Information	319.69
Directors' Fees	375.00
Shareholders' Meeting Expenses	743.48
Stock Exchange Fees and Expenses	324.31
Government Fees and Taxes	115.03
Sundry	<u>663.52</u>
	8,212.01

Less: Portion transferred to deferred mine exploration expenditures	<u>2,300.00</u>	<u>5,912.01</u>
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Net Loss before Sundry Income	6,151.43
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Deduct - Interest Earned	<u>2,208.98</u>
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Net Loss transferred to deficit	<u>3,942.45</u>
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NEW DAVIES PETROLEUMS LIMITED

Statement of Deferred Mine Exploration Expenditures

Ten Month Period Ending April 30, 1963.

	Fiscal Year ended <u>June 30, 1962</u>	Ten Months Ended <u>Apr. 30/63</u>	Total <u></u>
<u>Duprat Township, Quebec Claims</u>			
Diamond Drilling	8,482.70	--	8,482.70
Engineers Fees & Expenses	1,475.00	450.00	1,925.00
Insurance	212.34	50.00	262.34
Taxes	--	240.00	240.00
Sundry	146.95	--	146.95
Portion Administrative Expenditures	1,650.00	--	1,650.00
	<u>11,966.99</u>	<u>740.00</u>	<u>12,706.99</u>
<u>La Reine Township, Quebec, Claims.</u>			
Engineers Fees and Expenses	546.30	50.00	596.30
Insurance	--	35.00	35.00
Sundry	30.00	--	30.00
Portion Administrative Expenditures	1,650.00	--	1,650.00
	<u>2,226.30</u>	<u>85.00</u>	<u>2,311.30</u>
<u>Coleman Township, Ontario Claims (Option)</u>			
Diamond Drilling	--	20,600.03	20,600.03
Engineers Fees and Expenses	--	1,075.33	1,075.33
Assays	--	204.00	204.00
Portion Administrative Expenditures	--	2,300.00	2,300.00
	<u>--</u>	<u>24,179.36</u>	<u>24,179.36</u>
<u>Others</u>			
Engineers Fees and Expenses	244.00	--	244.00
TOTALS	14,437.29	25,004.36	39,441.65
<u>Less:- Amounts written off to deficit claims abandoned :</u>			
La Reine Township Claims	2,226.30	85.00	2,311.30
Coleman Township Claims	--	24,179.36	24,179.36
Others	244.00	--	244.00
	<u>2,470.30</u>	<u>24,264.36</u>	<u>26,734.66</u>
Total deferred expenditures, Duprat Township Claims	<u>11,966.99</u>	<u>740.00</u>	<u>12,706.99</u>

NEW DAVIES PETROLEUMS LIMITED

Statement of Deficit

Ten Month Period Ending April 30, 1963

Balance, June 30, 1962, -	771,775.35
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Additions during ten months ended April 30, 1963

Cost of Mining Claims under option, not exercised	10,000.00	
Exploration expenditures written off	24,264.36	
Loss on Operations for period	<u>3,942.45</u>	
	38,206.81	
Less: Profit on sale of investments	<u>370.50</u>	<u>37,836.31</u>

Balance, April 30, 1963	<u>809,611.66</u>
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NEW DAVIES PETROLEUMS LIMITED

Statement of Source and Application of Funds

December 31, 1962, to April 30, 1963

Source of Funds

Sale of Investment Securities	18,850.00
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Application of Funds

Loss on Operations for period	4,045.82	
Deferred Mining Costs for period	<u>200.00</u>	<u>4,245.82</u>
Net Increase in Working Capital		<u>14,604.18</u>

Changes in Working Capital

Increases

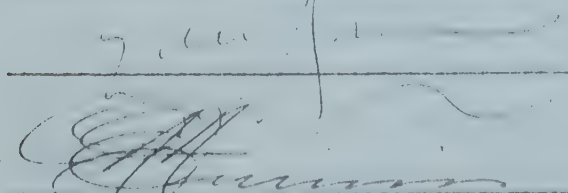
Increase in Cash	17,640.09	
Decrease in Accounts Payable	<u>760.59</u>	<u>18,400.68</u>

Decreases

Decrease in Accounts Receivable	<u>3,796.50</u>
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Net Increase in Working Capital -	<u>14,604.18</u>
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Approved on behalf of the Directors.



ENGINEER'S REPORT

Note - The following are excerpts from a report by Dr. T.C. Phemister, dated May 25th, 1963, on the mining claims located near Strontian, Argyllshire, Scotland. A complete copy of this report is on file at the Toronto Stock Exchange.

Situation. The property is in Argyllshire in the district of Sunart and is 30 miles distant by road and ferry from the town of Fort William, which itself is 130 miles by main road north from Glasgow. The map reference, for the centre of the property, is NM834660 on the one-inch Ordnance Survey Sheet 46 (Loch Linnhe).

Proprietor. Department of Agriculture and Fisheries, Scotland.

Size of Property. The property has a north-south extension of 6820 feet and is 3710 feet across. The area is 580.8 acres.

Accessibility. The region is hilly with a relief of around 1,000 feet and is served by a hill road which is in good condition.

Nature of the Deposit. Lead and zinc ores occur here in a main vein running in an east-west direction across the middle of the property and continuing on either side. This vein which is composite occurs in a fracture zone and the overall width varies from 4 feet to 30 feet.

General Geology. The country rock consists of mica-schists and banded quartzites injected irregularly on the east by granite gneiss. On the south these rocks are cut sharply by the Strontian granite (tonalite). Lines of fracture in the rocks follow three main directions, 80° , 100° , and 135° E. of N. The veins are usually associated with the second of these but occasionally the other two are ore-bearing.

History. The veins were first opened up in 1722 and the ore was worked and smelted till 1815 when they were shut down for unknown reasons. In 1794 the numbers employed in the whole area were 46 miners and 30 other labourers. Mining started again in 1836 but work soon ceased. Other attempts were made in 1850 and continued with varying success till 1872 when they were again abandoned. In 1901 a proposal was made to re-open the mines and work was started on the Bells Grove Engine shaft. This attempt came to an end in 1904 through lack of capital and since then no mining work has been done. From 1958-8 a London group conducted a geochemical investigation and confirmed the existence of lead and zinc in veins in the rocks. No excavations or drilling were attempted.

Recommendations. All the evidence up to the present indicates that the granite is not favourable to the mineralization and that the veins occur to the north of it in the schists. Practically all the ore taken out in the past has come from the Main Vein. This is a well-developed feature and can be followed in all for about 6000 feet. It varies in width from 4 feet to 30 feet and is frequently composite. For most of its length it is vertical but in places shows a very steep southerly hade. Within the vein the ore occurs as shoots but we have no information regarding their extension in depth. There is, as already mentioned, an unverified statement that one shaft went down to 720 to 780 feet and that ore was taken from it but all the evidence on the ground is that productive mining did not go beyond 200 feet from the surface and that much of it stopped at 100 feet.

Exploration can only be done by drilling as no more evidence can be obtained by surface methods that will give more positive information than we have already on the ground.

As this ^{block} is a well developed feature over a length of 6000 feet it is reasonable to assume that it will persist downward to at least 1500 feet. Within it some of the ore-shoots will lie at higher, some at lower, horizons within this vertical extension and it is the parts of the higher ones within 200 feet of the outcrop that have been worked. Thus the possibilities to be explored by drilling are -

- (1) the prolongation at depth of the ore-shoots already worked, and
- (2) the existence of intermediately situated ore-shoots which do not reach the surface.

As we do not have any accurate measurements to go on from maps of the ore taken out the only thing to do is to start by intersecting the plane of the vein at regular intervals and for this I suggest the holes 1 and 2, sited 300 feet north/

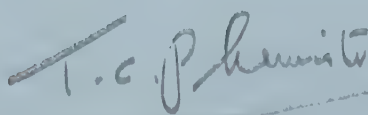
north of the vein and inclined to the south at 60° (i.e. 60° to the horizontal). These should come vertically under the vein outcrop at a hole-length of about 600 feet and if the vein remains truly vertical the depth of the intersection will be at about 450 feet below the level of the collar of the hole. To allow however for some departure of the vein from the vertical an extension may have to be made for a hole-length of 800 feet. The next phase will depend on the results from these holes but in any case other holes will be required to confirm or extend the information sufficiently for a decision to be made.

As the object of this drilling is to obtain an accurate record the contract will have to call for 100% core-recovery and the drillers will have to be warned that they will strike soft and broken ground (rotten basalt and sheared schist) in the vicinity of those parts of the core that are most valuable to us.

Arrangements will have to be made to engage a geologist to make a detailed geological map of the property. He will have to be capable also of logging the core as well as splitting and selecting and preparing material for assay.

The siting of the holes outlined in this note must be regarded as tentative as any new information acquired as the programme progresses may demand modifications.

1. I am Professor of Geology and Mineralogy at Aberdeen University.
2. My university degrees are -
Glasgow; B.Sc. (Mining) D.Sc. (Geology).
Cambridge; Ph.D. (Mineralogy and Petrology).
Chicago; Sc.M. (Geology).
3. I have no interest directly or indirectly in the property reported on or in the New Davies Oils, Ltd.
4. My report dated 25th May, 1963, is based on government reports and on my personal knowledge of the Strontian area.

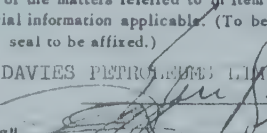

25th. May, 1963.

10. Brief statement of company's chief development work during past year.	During the past year the Company carried out some 7,552 feet of diamond drilling on the Coleman Township Mining Claim under option to it (see prior Filing Statement No. 784 filed August 23, 1962). The aforementioned option has been allowed to lapse.												
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Scottish Canadian Highland Development and Exploration Limited, 62 Richmond Street West, Toronto, Ontario. Reference is made to Schedule "A" hereto for further particulars.												
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Henry Wallace Norrington and Nancy Norrington both of 15 Arncroft Place, Toronto, Ontario. Alexander Gordon Fisher, 80. Bridle Path, R. R. #1, Don Mills, Ontario.												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	360,000 shares of the Company are held in escrow subject to release only on consent of the Toronto Stock Exchange.												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Following the sale of escrowed shares referred to in Schedule "A", escrowed shares will be held as follows: (See Schedule "A" on page 2). <table> <tr> <td>Compact Investments Limited (see Item 7 for particulars)</td> <td>130,000</td> </tr> <tr> <td>Scottish Canadian Highland Development and Exploration Limited (see Item 12 for particulars)</td> <td>230,000</td> </tr> </table>	Compact Investments Limited (see Item 7 for particulars)	130,000	Scottish Canadian Highland Development and Exploration Limited (see Item 12 for particulars)	230,000								
Compact Investments Limited (see Item 7 for particulars)	130,000												
Scottish Canadian Highland Development and Exploration Limited (see Item 12 for particulars)	230,000												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <td>Houston & Company 335 Bay Street, Toronto, Ontario</td> <td>237,900 *</td> </tr> <tr> <td>Scottish Canadian Highland Development and Exploration Limited, 62 Richmond Street West, Toronto, Ontario</td> <td>230,000 ** (escrowed)</td> </tr> <tr> <td>Thompson & McKinnon, 55 Yonge Street, Toronto, Ontario</td> <td>185,900 *</td> </tr> <tr> <td>Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario</td> <td>130,000 ** (escrowed)</td> </tr> <tr> <td>T.A. Richardson & Co., 4 King Street West, Toronto, Ontario</td> <td>97,231 *</td> </tr> <tr> <td>James Richardson & Sons, 173 Portage Avenue, Winnipeg, Manitoba</td> <td>78,597 *</td> </tr> </table> * Beneficial ownership of these shares unknown ** Represents shareholdings following sale of escrowed shares referred to in Schedule "A" hereto.	Houston & Company 335 Bay Street, Toronto, Ontario	237,900 *	Scottish Canadian Highland Development and Exploration Limited, 62 Richmond Street West, Toronto, Ontario	230,000 ** (escrowed)	Thompson & McKinnon, 55 Yonge Street, Toronto, Ontario	185,900 *	Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario	130,000 ** (escrowed)	T.A. Richardson & Co., 4 King Street West, Toronto, Ontario	97,231 *	James Richardson & Sons, 173 Portage Avenue, Winnipeg, Manitoba	78,597 *
Houston & Company 335 Bay Street, Toronto, Ontario	237,900 *												
Scottish Canadian Highland Development and Exploration Limited, 62 Richmond Street West, Toronto, Ontario	230,000 ** (escrowed)												
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Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario	130,000 ** (escrowed)												
T.A. Richardson & Co., 4 King Street West, Toronto, Ontario	97,231 *												
James Richardson & Sons, 173 Portage Avenue, Winnipeg, Manitoba	78,597 *												
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Compact Investments Limited and Scottish Canadian Highland Development and Exploration Limited aforementioned are in a position to materially affect control of the Company.												
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	30,500 shares Stanwell Oil and Gas Limited cost - \$10,593.75 present market- \$9,150.00												
18. Brief statement of any lawsuits pending or in process against company or its properties.	none												
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	none												
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Following acceptance for filing of this Filing Statement, shares of the Company referred to in item 6 would be in the course of primary distribution to the public.												

CERTIFICATE OF THE COMPANY

DATED June 4th, 1963

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

NEW DAVIES PETROLEUMS LIMITED
 "E. Brown"  CORPORATE SEAL
 "E.F. Furniss"  President

CERTIFICATE OF UNDERWRITER OR OPTIONEE Secretary

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

S. J. BROOKS & CO.
 By: 
 "S.J. Brooks"

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1103.
FILED, MAY 7th. 1964.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company
Incorporated under The Companies Act of the Province
of Alberta on May 12th, 1952
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous
Filing Statement No. 929.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(i) Underwriting and optioning of treasury shares referred to in item 6. (ii) Acquisition of additional mining lands in Scotland referred to in item 11. (iii) Acquisition of an 80% interest in 10 mining claims in Mahaffy Township, Ontario, referred to in item 11. (iiii) Changes in Board of Directors referred to in item 3.
2. Head office address and any other office address.	Head Office: 309-8th Avenue, Calgary, Alberta Executive Office: 714-62 Richmond Street West, Toronto, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director - EARL BROWN, Solicitor, 28 Mason Boulevard, Toronto, Ontario. Vice-President and Director- ROBERT BROWN, Corporate Secretary, 91 Elm Ridge Drive, Toronto, Ontario. Secretary-Treasurer and Director- E. F. FURNISS, Mining and Petroleum Corporate Secretary, 39 Marydon Crescent, Agincourt, Ontario. Director- BRUCE ALBERT BLACKBURN, Insurance Company Supervisor, 23 Latham Avenue, Scarborough, Ontario. Director- MURRAY COOPER, Mining Executive, Suite 714, 62 Richmond Street West, Toronto, Ontario. Director- SAMUEL YOUNG, Builder, 127 McGillivray, Toronto, Ontario. Mr. Cooper and Mr. Young were recently elected to the Board to fill an existing vacancy and to fill a further vacancy on the Board caused by the resignation of Mr. Martin Freemont as Vice-President and as a Director of the Company.
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 4,000,000 shares without par value of which 2,813,937 shares are issued and outstanding.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	The Company has entered into an agreement dated April 30th, 1964 with Morgan Securities Limited, 335 Bay Street, Toronto, Ontario, acting solely on behalf of its client referred to in item 7, providing for the firm sale of 200,000 shares of the Company at 17½¢ per share payable within 3 business days of the date of acceptance for filing of this Filing Statement, such date of acceptance being referred to as the "acceptance date". Pursuant to said agreement, Morgan Securities Limited, acting on behalf of its said client, has been granted options to purchase 800,000 additional shares of the Company as follows: 200,000 shares at 17½¢ per share exercisable within 3 months of the acceptance date; 200,000 shares at 22½¢ per share exercisable within 6 months of the acceptance date; 200,000 shares at 27½¢ per share exercisable within 9 months of the acceptance date; and 200,000 shares at 32½¢ per share exercisable within 12 months of the acceptance date.

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	In entering into the Underwriting and Option Agreement referred to in item 6, Morgan Securities Limited was acting solely on behalf of its client, Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario. The only person having a greater than 5% interest in Compact Investments Limited is Martin B. Freemont, 740 Briar Hill Road, Toronto, Ontario.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company plans to carry out development work on the mining claims in Mahaffy Township referred to in item 11 in implementation of the recommendations contained in the accompanying Engineer's Report. The Company will also continue development work on the properties being investigated in Scotland and a further minimum diamond drilling contract of 2,500 feet is planned which is estimated to cost approximately \$15,000. Consideration is also being given to carrying out underground development work on these properties through the de-watering and rehabilitation of existing shafts. No cost estimates in this regard can be projected at the present time. The proceeds accruing from the sale of shares referred to in item 6 will accordingly be used for such foregoing purposes, for the purchase of necessary equipment and for general administrative purposes.
10. Brief statement of company's chief development work during past year.	During the past year the Company's activities have been concentrated on its property in Scotland referred to in Schedule "A". Development work consisted of the carrying out of some 7,500 feet of diamond drilling. See Schedule "A" on page 3.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	(i) See Schedule "A" hereto for particulars of agreement dated May 30, 1963 whereunder the Company acquired rights to mining lands in Scotland and for particulars of agreement dated April 30th, 1964 whereby the Company proposes to acquire rights to additional contiguous mining lands in Scotland. (ii) Base Metals Mining Corporation Limited, 62 Richmond Street West, Toronto, Ontario, entered into an agreement dated April 9, 1964 with George K. Monteith, 75 Spencer Avenue, Toronto, Ontario, whereunder it agreed to pay the sum of \$5,000 to acquire an 80% interest in 32 mining claims staked in Mahaffy Township, Ontario. In entering into such agreement, Base Metal Mining Corporation Limited was acting on the Company's behalf as to a 10/32 interest therein and the Company agreed to acquire 10 of such claims and assume 10/32 of the cost thereof plus 10/32 of tagging expenses amounting to \$480. The Company accordingly acquired for the sum of \$1,712.50, an 80% interest in 10 unpatented mining claims covering the N.W. 1/4 Lot 7 and Lot 8, Concession V, Mahaffy Township. Applications to record the staking of these claims have been filed, but claim numbers have not yet been assigned thereto. The remaining 20% interest in these mining claims, which is a non-assessable carried interest, is owned, the Company understands by George K. Monteith aforesaid, W.G. Leliever, Streetsville, Ontario, and M.G. Clarke, Oakridges, Ontario.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	The Company understands that the only persons having a greater than 5% interest in Scottish Canadian Highland Development and Exploration Limited referred to in item 11 are: Henry Wallace Norrington and Nancy Norrington both of 15 Arncliffe Place, Toronto, Ontario; Alexander Gordon Fisher, 80 Bridle Path, R. R. #1, Don Mills, Ontario, and Lord Tweedsmuir, London, England. The Company further understands that the 100,000 shares to be issued for mining lands in Scotland will belong solely to Scottish Canadian Highland Development and Exploration Limited. The Company understands that the only persons who have received or are entitled to receive a greater than 5% interest in the monies paid by Base Metals Mining Corporation Limited and as referred to in item 11 are: George K. Monteith, W. G. Leliever and M. G. Clarke also referred to in item 11.

THIS IS SCHEDULE "A" referred to in the
annexed Filing Statement.

The Company entered into an Agreement dated May 30, 1963 with Scottish Canadian Highland Development and Exploration Limited, 62 Richmond Street West, Toronto, Ontario, as Vendor, whereunder the Company purchased from the Vendor all of its interest in and to approximately 580.8 acres of land (hereinafter referred to as the "Mining Lands") under a certain Minute of Agreement dated April 25, 1963 (hereinafter referred to as the "Exploratory License") entered into between the Secretary of State for Scotland and the Vendor. The Exploratory License grants to the Vendor the right and license to explore for minerals on a tract of land in the Parish of Ardnamurchan, County of Argyll, Scotland. The Exploratory License runs for a period of one year from April 10, 1964 with right of one month's notice to surrender any part of the lands covered thereby. The holder of the Exploratory License is required to reimburse holders of surface rights for damages caused thereto. At any time during the currency of the Exploratory License, application may be made for the grant of a mining lease in and to the lands covered thereby or any part thereof. In general, the lease runs for a term of 30 years with breaks at 5 year intervals permitting the tenant to terminate the lease on six month's notice in writing. The Lessee is permitted to mine and remove minerals paying a yearly rental of One Hundred Pounds during the first three years of the lease and Five Hundred Pounds for succeeding years, together with a yearly royalty equal to 4% of net profits as, taking into account such royalty payment, would be assessable for income tax purposes in Scotland; provided, that yearly rental payments may be off-set against royalty payments for such year. If gold or silver are extracted, an additional royalty is payable equal to one-tenth of the value of such gold or silver. All realty taxes, rates and other charges against the lands demised under the lease are payable by the Lessee. The Lessee is also responsible to compensate the holders of surface rights for damages caused thereto.

The Company has entered into an Agreement dated April 30, 1964 with the Vendor above-named whereunder the Company will acquire approximately 800 acres of additional lands tying on to the 580.8 acres of Mining Lands referred to above (600 acres tying on to the west and 200 acres tying on to the east) for the price or consideration of 100,000 shares of the Company and certificates representing 90% of said shares shall be held in escrow subject to release only on the written consent of the Toronto, Canadian, Calgary and Vancouver Stock Exchanges. The newly acquired lands will be subject to the same terms and conditions as affect the Mining Lands above referred to.

BALANCE SHEET

(Prepared from the books of account without audit)

Approved on behalf of the
Board of Directors:

W. B. Brown (Director)
W. B. Brown (Director)

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF OPERATIONS

FOR THE NINE MONTHS ENDED MARCH 31, 1964
(Prepared from the books of account without audit)

Sale of production from wells		\$7,019.17
Deduct - royalties	\$1,087.06	
- operating expenses	<u>7,603.34</u>	<u>8,690.40</u>
<u>Loss from production before deducting the undernoted</u>		<u>(\$1,671.23)</u>
Management fees	\$ 600.00	
Lease rentals	40.39	
Apportionment of administrative expenditures to oil operations	<u>2,700.00</u>	
	<u>\$3,340.39</u>	
Less - interest income	<u>2,237.52</u>	<u>1,102.87</u>
<u>Net loss for the period</u>		<u><u>(\$2,774.10)</u></u>

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE NINE MONTHS ENDED MARCH 31, 1964
(Prepared from the books of account without audit)

<u>Source of funds</u>		
From sale of 200,000 shares of capital stock		\$30,000.00
<u>Application of funds</u>		
Deferred mine exploration:		
Engineer's fees	\$ 3,226.01	
Diamond drilling	37,047.80	
Wages	1,099.83	
Taxes	240.00	
Assays	239.24	
Miscellaneous	<u>440.89</u>	\$ 42,293.77
Deferred administrative expenditures:		
Accounting and secretarial services	\$ 3,600.00	
Transfer agent's fees and expenses	706.78	
Travelling expenses	5,809.41	
Shareholders' information	415.39	
Stock exchange fees	426.57	
Telephone and telegraph	481.79	
Share capital cost	206.94	
Shareholders' meeting expenses	211.75	
Miscellaneous	<u>444.26</u>	
	<u>\$12,302.89</u>	
Less - portion transferred to oil operations	\$2,700.00	
- expense recovery	<u>1,105.58</u>	<u>3,805.58</u>
		<u>8,497.31</u>
		\$ 50,791.08
Recapitalization cost		440.00
Office equipment		282.22
Net loss for period, per statement		<u>2,774.10</u>
		<u>54,287.40</u>
<u>Decrease in working capital</u>		<u>\$24,287.40</u>
<u>Decreased as follows</u>		
Decrease in current assets	\$147,114.14	
Less - decrease in current liabilities	<u>122,826.74</u>	<u>\$24,287.40</u>

Approved on behalf of the
Board of Directors:

A. B. Brown (Director)
E. H. Harrison (Director)

ENGINEER'S REPORT

REPORT ON THE PROPERTY
of
NEW DAVIES PETROLEUMS LTD
situated in
MAHAFFY TOWNSHIP
Porcupine Mining Division, Timmins, Ontario

SUMMARY

The property consists of ten contiguous, unsurveyed and unpatented claims, numbered as follows: 62939, 62940 and 62943 to 62950 inclusive. They are situated in the north central portion of Mahaffy Township and cover an area of approximately 400 acres. The property lies some 30 miles northwest of Timmins, Ontario and is best reached from there by helicopter.

The claims were acquired following the discovery of a major zinc-copper-silver body in Kidd Township some 14 miles to the southeast. The consolidated rocks underlying the property are masked by the recent sediments deposited in the bottom of old glacial lake Barlow-Ojibwa so that geology of the property is not known. Currently it is thought that, in this district, the mineralization occurs associated with graphitic sedimentary horizons within a series of acidic lava flows of Precambrian age.

The major discovery in the district was found by drilling an electromagnetic anomaly. Drilling of magnetometer anomalies in many instances revealed sulphide mineralization with low content of economic minerals. G.S.C. Map No. 300G shows that an aeromagnetic anomaly crosses the New Davies claims. The stakers reported deflection of the compass needle in the vicinity of the property.

CONCLUSIONS

The major discovery of Texas Gulf Sulphur demonstrates that the recent deposits of the "clay belt" mask geology favorable for the occurrence of large bodies of valuable mineralization.

A modest expenditure for the exploration of properties in areas masked by overburden within the clay belt is justified. Indirect methods of search must be used as trenching and pitting are impractical. Geophysical methods offer the best means of preliminary investigation of bedrock characteristics under the cover of recent deposits.

RECOMMENDATIONS

It is recommended that the property of New Davies Petroleum Limited be the subject of ground magnetometer and electromagnetic surveys with stations at 100 foot intervals along parallel lines spaced 300 feet apart, as a preliminary step.

Based on 15 miles of surveys, the cost is estimated as follows:-

Linecutting, etc.	\$ 825.00
Geophysical Surveys	<u>2,250.00</u>
Total	\$3,075.00

Recommendations for further investigation should be based on the results obtained from this initial program.

REFERENCES

- (1) Map No. 300G Aeromagnetic Series, G.S.C. 1956
- (2) Ont. Dept. Mines, Map 53c, 1957
- (3) Ont. Dept. Mines, Map 2046, 1964
- (4) Ont. Dept. Mines, Rept. Vol. XLVIII, Pt. 12 and accompanying Map No. 48n, 1939
- (5) Geological Survey Bulletin 1021-j, U.S.G.S. 1956
- (6) Northern Miner, Financial Post; Apr. 16, 1964 and subsequent issues.

Respectfully submitted,



Lionel R. Simard, M.Sc., P.Eng.

Toronto, Ontario
May 26, 1964.

CERTIFICATE

I, Lionel R. Simard, of the City of Toronto, Province of Ontario, hereby certify as follows:

1. That I am a practising Geologist with offices at Suite 403, 25 Adelaide St. West, Toronto, Ontario.
2. That I am a graduate of Manitoba University with the degree of B.Sc., and have received the degree of M.Sc. from McGill University. I am a member of the Association of Professional Engineers of the Province of Ontario.
3. That I have no interest either directly or indirectly, and I do not expect to receive any interest either directly or indirectly, in the property covered in this report or in the securities of New Davies Petroleums Limited.
4. That the accompanying report is not based on a personal examination of the property but on a study of the maps and reports referred to and upon experience gained on mineral exploration projects in this area during the past several years.
5. That this certificate applies to Claims Nos. 62939, 62940, and 62943 to 62950 inclusive, situated in the north central portion of Mahaffy Township, Porcupine Mining Division, Province of Ontario.

DATED at Toronto this 26th day of May, 1964.



Lionel R. Simard, M.Sc., P.Eng.

13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	360,000 shares of the Company are held in escrow subject to release only on consent of the Toronto Stock Exchange. Upon the issuance of 100,000 shares referred to in item 11 in connection with the acquisition of mining lands in Scotland, certificates representing 90,000 of said shares will be held in escrow subject to release only on consent of the Toronto Stock Exchange, the Canadian Stock Exchange, the Calgary Stock Exchange and the Vancouver Stock Exchange.		
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	The 360,000 escrowed shares referred to in item 13 are beneficially owned as follows:- Compact Investments Limited (see item 7 for particulars) 130,000 Scottish Canadian Highland Development and Exploration Limited (see item 12 for particulars) 230,000 The 90,000 shares held in escrow as referred to in item 13 will be wholly owned by Scottish Canadian Highland Development and Exploration Limited		
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	S. J. Brooks & Co., 185 Bay Street, Toronto, Ontario. 239,100 (1) Scottish Canadian Highland Development and Exploration Limited, 62 Richmond Street West, Toronto. 230,000 (2) Thompson & McKinnon, 55 Yonge Street, Toronto, Ontario. 144,599 (1) Compact Investments Limited, 62 Richmond Street West, Toronto. 130,000 (2) Houston & Company, 335 Bay Street, Toronto, Ontario. 114,300 (1) (1) Beneficial ownership unknown (2) Represents beneficial ownership and escrowed shares.		
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	None. However, on a solicitation of proxies it might be said that present management would be in a position to materially affect control of the Company particularly if they secured proxies from Compact Investments Limited and Scottish Canadian Highland Development and Explorations Limited.		
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Company	Cost	Market
	19,566 shs. D'Eldona Gold Mines Limited	\$1,867.80	\$1,859.00
	100,000 shs. Donalds Mines Limited	\$10,915.00	\$9,000.00
18. Brief statement of any lawsuits pending or in process against company or its properties.	None		
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None		
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Following acceptance for filing of this Filing Statement, shares of the Company referred to in item 6 would be in the course of primary distribution to the public.		

CERTIFICATE OF THE COMPANY

DATED April 30th, 1964

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"E. Brown"

NEW DAVIES PETROLEUMS LIMITED

By:

CORPORATE
SEAL

"E.F. Furniss"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

MORGAN SECURITIES LIMITED

By:

"R.H. Tetlaw"

"H. Gibson"

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1228,
FILED, DECEMBER 10th, 1964.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company
Incorporated under The Companies Act of the
Province of Alberta on May 12th, 1952.

Particulars of incorporation (e.g., incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957). Reference is made to previous
Filing Statement No. 1103.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Agreement between the Company and Scottish Canadian Highland Development & Exploration Limited with Consolidated Gold Fields Limited respecting the development of lands in Scotland and collateral agreement between the Company and Scottish Canadian Highland Development & Exploration Limited, the aforementioned agreements being subject to shareholder approval. See Schedule "A" on page 2.
2. Head office address and any other office address.	Head Office: 309- 8th Avenue, Calgary, Alberta Executive Office: 714 - 62 Richmond Street West, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	EARL BROWN - President and Director, 28 Mason Boulevard, Toronto, Ontario, Solicitor; ROBERT BROWN - Vice-President and Director, 91 Elm Ridge Drive, Toronto, Ontario, Corporate Secretary; E.F.FURNISS - Secretary-Treasurer and Director, 39 Marydon Crescent, Agincourt, Ontario, Mining and Petroleum Corporate Secretary; BRUCE ALBERT BLACKBURN - Director, 23 Latham Avenue, Scarborough, Ontario, Insurance Company Supervisor; MURRAY COOPER - Director, Suite 714, 62 Richmond Street West, Toronto, Ontario, Mining Executive; SAMUEL YOUNG - Director, 127 McGillivray, Toronto, Ontario, Builder;
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 4,000,000 shares without par value, of which 3,513,937 shares are issued and outstanding as fully paid and non-assessable.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	The Company entered into an Agreement dated April 30, 1964 with Morgan Securities Limited, 335 Bay Street, Toronto, Ontario, acting solely on behalf of its client referred to in item 7, providing for the purchase and optioning of shares of the Company. At the present time there are outstanding under said agreement options to purchase 200,000 shares of the Company at 27½¢ per share exercisable on or before February 7, 1965 and options to purchase a further 200,000 shares of the Company at 32½¢ per share exercisable on or before May 7, 1965.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	In entering into the Underwriting and Option Agreement referred to in item 6, Morgan Securities Limited was acting solely on behalf of its client, Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario. The only person having a greater than 5% interest in Compact Investments Limited is Martin B. Freemont, 740 Briar Hill Road, Toronto, Ontario.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company is studying the report covering the geophysical surveys which were carried out on its claims in Mahaffy Township, Ontario. The report, while inconclusive, recommends further work to be done which is being considered by the company having regard to exploration work being carried on in the immediate area. Monies on hand and monies, if any, received from the exercise of the options referred to in item 6 will be used for the foregoing if additional work is implemented and for general administrative purposes.
10. Brief statement of company's chief development work during past year.	During the past year an extensive drilling programme was carried out on the Company's property in Scotland comprising seventeen drill holes totalling approximately 8900 feet for a total cost in excess of \$80,000.00. Geophysical surveys carried out on the mining group in Mahaffy Township, Ontario, cost some \$2350.00.

THIS IS SCHEDULE "A" referred to
in the annexed Filing Statement

The Company and Scottish Canadian Highland Development & Exploration Limited, 62 Richmond Street West, Toronto, Ontario ("Scottish Canadian") have entered into an Agreement (the "Development Agreement") with Consolidated Gold Fields Limited, 49 Moorgate, London, England, ("Gold Fields") relating to the exploration for minerals of an area near Strontian Inn, Scotland, and relative to which certain exploratory rights have been granted by the Secretary of State for Scotland. The portion thereof held by the Company for development comprised some 1380 acres while the remaining portion held by Scottish Canadian for development comprised some 32,200 adjoining acres, the whole being hereinafter referred to as the "Area". Under the Development Agreement New Davies and Scottish Canadian (sometimes hereinafter jointly referred to as the "Canadian interests") have granted Gold Fields the sole right to carry out exploration and development work in the Area for minerals, the nature, cost and extent of such work to be in Gold Fields' sole discretion, preliminary estimates by Gold Fields having projected estimated expenditures of up to \$750,000. The exploration and development period granted to Gold Fields under the Development Agreement runs for a period of two years from January 1st, 1965, with provision that same shall be extended for a further period of one year at Gold Fields' election if it has expended at least the sum of \$250,000 in carrying out exploration and development work in the Area during the initial two year period. If, during its examination period, Gold Fields decides to bring a mine in the Area to production on a commercial scale, it is required to notify the Canadian interests and to proceed as it deems appropriate but with reasonable dispatch to implement such decision. As soon as a mine or mines in the Area have attained the full rate of production required by Gold Fields, then Gold Fields is to notify the Canadian interests accordingly and profits of the venture are to be applied in repayment pro rata of exploration expenses incurred by Gold Fields and the Canadian interests, it having been agreed that the exploration expenses of the Canadian interests are fixed at the sum of \$250,000.

After the exploration expenses of Gold Fields and the Canadian interests have been repaid, Gold Fields is required to pay to the Canadian interests 25% of the profits derived from mining operations or, if Gold Fields has so elected at any time before all exploration expenses have been repaid, a royalty of 75¢ for each ton (2000 pounds) of ore treated for the recovery of saleable metals or compounds of metals. The Development Agreement also contains various ancillary operational clauses, provides for consolidation into the Area of any additional prospecting or mining rights obtained within ten miles from Strontian Inn, Scotland and permits the Canadian interests to have a first right of refusal to acquire any portions of the Area relinquished by Gold Fields.

Under date of November 16, 1964 New Davies and Scottish Canadian entered into an agreement to define their respective rights under the Development Agreement and it is provided therein that when the Canadian interests have received reimbursement for their actual respective exploration expenses, any surplus monies shall be divided equally between them as shall all other considerations and payments accruing to them under the Development Agreement. It is further stipulated that if Gold Fields elects to bring a mine in the Area to production on a commercial scale then the aforementioned first rights of refusal shall accrue to the Canadian interests equally, but if no such election be made then their interests in the Area shall be limited to the respective portions thereof as were enjoyed by them prior to the execution of the Development Agreement, with further provisions that any additions to the Area made by Gold Fields under such circumstances would be enjoyed by them equally while additions contributed by either New Davies or Scottish Canadian would accrue to the party contributing the same.

Both of the foregoing agreements are subject to approval by the New Davies Shareholders, and the Company will accordingly convene a special general meeting of its Shareholders for such purpose in the City of Toronto on December 23, 1964. If such Shareholders' approval is not forthcoming the Development Agreement will terminate and the Canadian interests are required to reimburse Gold Fields for development expenses incurred by it.

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED
(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET

AS AT OCTOBER 31, 1964
(Prepared from the books without audit)

ASSETS		LIABILITIES	
Current assets		Current liabilities	
Cash and short-term deposit	\$ 76,659.34	Accounts payable	\$ 8,958.72
Advances to Scotland	4,723.89		
Accounts receivable	734.98		
Accrued interest	233.00	Capital and deficit	\$ 82,351.21
		Capital stock (footnote)	
Investments		Authorized:	
Shares in affiliated companies, at cost	\$ 16,555.85	4,000,000 shares, without par value	16,557.85
(market value \$13,238.00)	2.00		
Royalties, at nominal value		Issued or to be issued:	
		2,613,937 shares at June 30, 1963	\$1,306,968.50
Capital assets		100,000 shares for interest in exploratory license in Scotland	17,500.00
Interest in petroleum and natural gas leases and productive wells, acquired from predecessor company	\$ 37,136.17	600,000 shares for cash	100,000.00
Production equipment, at cost	3,439.91	3,213,937 shares at October 31, 1964	\$1,424,468.50
Unpatented mining claims, at valuation attributed to 200,000 shares of capital stock issued for the claims plus \$1,712.50 paid in cash	101,712.50	Deficit	
Exploration license on mining properties in Scotland, at valuation attributed to 100,000 shares of capital stock issued for the license plus \$125,000.00 paid in cash	142,500.00	Balance, June 30, 1963	\$918,826.36
Office furniture and equipment, at cost less \$172.53 depreciation	743.08	Add - net loss for year ended June 30, 1964, per statement	5,081.82
			\$923,908.18
Deferred expenditures		Less - net profit for the four months ended October 31, 1964, per statement	1,031.03
Mine exploration and administrative expenditures:			922,877.15
Balance, June 30, 1963	\$17,407.40		501,591.35
Additions - year ended June 30, 1964	76,739.13		
- four months ended October 31, 1964	21,607.30		
Organization and capital reorganization expenses	\$115,753.83		
	10,355.52		
	126,109.35		
	\$510,550.07		

Note - On November 9, 1964 the company received \$45,000.00 from the exercise by an underwriter of an option on 200,000 shares of the company's capital stock at $22\frac{1}{2}$ ¢ per share.

There are additional options outstanding on 400,000 shares of the company's capital stock as follows:

200,000 shares at 27 $\frac{1}{2}$ ¢ per share, exercisable by February 7, 1965
200,000 shares at 32 $\frac{1}{2}$ ¢ per share, exercisable by May 7, 1965.

Approved on behalf of the
Board of Directors:

..... (Director)

..... (Director)

NEW DAVIES PETROLEUMS LIMITED

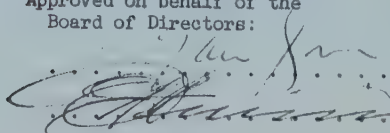
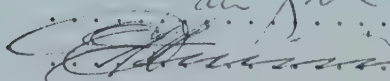
STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 1964 AND THE FOUR MONTHS ENDED OCTOBER 31, 1964
(Prepared from the books without audit)

	Year Ended June 30, 1964	Four Months Ended October 31, 1964
<u>Revenue</u>		
Production from wells	\$ 8,978.04	\$ 864.47
Expense recovery out of production	<u>2,414.34</u>	<u>1,534.25</u>
	<u>\$11,392.38</u>	<u>\$2,398.72</u>
Deduct - royalties	\$ 1,404.40	\$ 136.06
- operating expenses	<u>9,094.08</u>	<u>473.80</u>
	<u>\$10,498.48</u>	<u>\$ 609.86</u>
<u>Profit from production</u> (before depletion, amortization and depreciation)	<u>\$ 893.90</u>	<u>\$1,788.86</u>
<u>Administrative and general expenditures</u>		
Accounting and secretarial services	\$ 4,500.00	\$1,400.00
Management fees	900.00	300.00
Share issue and transfer expenses	2,279.21	323.70
Legal, audit and other professional services	1,916.84	51.85
Shareholders' information and publicity	1,087.27	176.09
Directors' fees	125.00	-
Stock exchange fees and expenses	1,106.92	60.10
Telephone and telegraph	703.69	896.11
Improvements to office	450.00	-
Depreciation - office furniture and equipment	172.53	-
General office expenses	<u>413.95</u>	<u>81.98</u>
	<u>\$13,655.41</u>	<u>\$3,289.83</u>
Less - portion transferred to deferred mine exploration	<u>4,808.92</u>	<u>2,065.03</u>
	<u>\$ 8,846.49</u>	<u>\$1,224.80</u>
<u>Net profit or (loss) before sundry income</u>	<u>(\$ 7,952.59)</u>	<u>\$ 564.06</u>
Interest earned	<u>2,870.77</u>	<u>466.97</u>
<u>Net profit or (loss) for the period</u>	<u>(\$ 5,081.82)</u>	<u>\$1,031.03</u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED JUNE 30, 1964 AND THE FOUR MONTHS ENDED OCTOBER 31, 1964
(Prepared from the books without audit)

	Year Ended June 30, 1964	Four Months Ended October 31, 1964
<u>Source of funds</u>		
Sale of capital stock	\$ 65,000.00	\$35,000.00
Net profit for the period, per statement	<u>-</u>	<u>1,031.03</u>
	<u>\$ 65,000.00</u>	<u>\$36,031.03</u>
<u>Application of funds</u>		
Deferred mine exploration expenditures:		
Diamond drilling	\$ 55,178.34	\$ 7,847.82
Engineers' fees and expenses	3,702.25	1,853.85
Supervision	1,099.83	451.50
Surveys	-	2,350.00
Assays	407.19	127.92
Government licenses	340.00	295.00
Miscellaneous	<u>652.96</u>	<u>213.33</u>
	<u>\$ 61,380.57</u>	<u>\$13,139.42</u>
Administrative travelling - Scotland	10,549.64	6,402.85
Administrative and general expenditures apportioned to mining exploration	<u>4,808.92</u>	<u>2,065.03</u>
	<u>\$ 76,739.13</u>	<u>\$21,607.30</u>
<u>Net loss for the period, per statement</u>	<u>\$ 5,081.82</u>	<u>\$ -</u>
Deduct - items not involving an outlay of funds:		
Depreciation - office furniture and equipment	<u>172.53</u>	<u>-</u>
	<u>\$ 4,909.29</u>	<u>\$ -</u>
Investments - shares in affiliated companies	\$ 16,555.85	\$ -
Mining claims	1,712.50	-
Office equipment	282.22	-
Recapitalization cost	<u>440.00</u>	<u>-</u>
	<u>\$ 18,990.57</u>	<u>\$ -</u>
	<u>\$100,638.99</u>	<u>\$21,607.30</u>
<u>Increase or (decrease) in working capital</u>	<u>(\$ 35,638.99)</u>	<u>\$14,423.73</u>
<u>Working capital increase or (decrease) as follows:</u>		
Increase or (decrease) in current assets	(\$156,410.64)	\$ 9,993.93
Less - increase or (decrease) in current liabilities	<u>(120,771.65)</u>	<u>(4,429.80)</u>
	<u>(\$ 35,638.99)</u>	<u>\$14,423.73</u>
Approved on behalf of the Board of Directors:		
 (Director)		
 (Director)		

GEOLOGIST'S REPORT

Note - The following are excerpts from two reports by T.C. Phemister, B.Sc., D.Sc., Ph.D., M.Sc., dated November 4th, 1964, on mining properties located near the Village of Strontian, Argyllshire, Scotland. Complete copies of these reports are on file with the Toronto Stock Exchange.

OILS

NEW DAVIES/SECTION

SITUATION. This property is situated $2\frac{1}{2}$ miles north of the village of Strontian, Argyllshire, from which it can be reached by road. Strontian itself is about 130 miles by road and ferry from Glasgow.

AREA. The area of the property is 1380 acres.

GEOLOGY. The country rock consists of mica-schists and quartzite injected irregularly by granite gneiss. These rocks are cut by a large mass of granite (tonalite) and the contact runs across the southern part of the property. Cutting all of these rocks is a discontinuous string of basic dykes that runs roughly east-west. Alongside these dykes the rocks are highly sheared and it is in this shear zone that the vein occurs. All of the structures at the surface dip steeply to the south and the straightness of the outcrop over this hilly country suggests that the zone is vertical. This band of shearing and veining appears to have no direct connection with the granite as it cuts sharply across its contact with the schists and is quite unaffected by it.

VEIN. The vein itself consists of calcite and barytes in various proportions along with sheets and films of highly altered wall rock. The width is very variable and runs from a matter of a foot or two to as much as 50 feet, the latter figure representing a zone of extensive veining in sheared and altered rock.

Within the vein itself the ore minerals are galena and zincblende and these occur both as a general low grade mineralization and also as discontinuous ore-shoots and stringers.

The latest event in the geology is the intrusion of basalt dykes which cut the veins and in some cases may have come in along small faults.

EARLIER WORK. The main activity was in the periods 1790 to 1815 and 1850 to 1872. The work consisted of following ore shoots down from the surface so that the stopes are very irregular in shape and distribution. The major engineering work was the driving of an adit from the south to intersect the vein at a depth of about 180 feet with the extension from this of a level along the vein 1272 feet to the east and 708 feet to the west, the "grand level". Though there are reports of deeper workings it is probable that only the odd hole ever went beyond 200 feet and practically all of the mining stopped at smaller depths.

It is clear from the material in the old dumps that the miners were interested only in ore that was very rich in galena and that the methods of concentration available were incapable of dealing with anything running less overall than say 10% lead free from zinc.

OBJECTIVE OF PRESENT EXPLORATION.

As the vein is located in a well developed feature that is certainly continuous over a length of 7000 feet, it is reasonable to

assume that it will persist down to at least 1500 feet. Within it the ore-shoots will lie at various horizons and some may not reach the surface. A drilling programme was therefore entered on to test the prolongation of the vein in depth and get some idea of how the values are distributed throughout the vein. All of the holes were inclined at angles from 50 to 70 degrees so that any parallel vein to one side of the main zone would be intersected.

RESULTS. Up to the present 17 holes have been completed, their lengths ranging from 354 to 714 feet with a total footage of 8,894 feet. Hole 18 is in course of drilling and at present is around 350 feet. While core recovery has been excellent in the hard and unshered rock it has been poor in the vein which is very soft and open in texture. In one case the recovery was as low as 51% and an average figure, which improved somewhat with later holes, was around 80%. What was particularly frustrating was that core was frequently lost in the vicinity of small ore shoots so that there is a possibility that the figures obtained may be on the low side. The values cited here are based mainly on assays of solid core with information from wash samples where core was lost.

The drilling shows that there is no doubt at all that the vein continues to a vertical depth of 700 feet and certainly well beyond this figure as there is no sign of it narrowing with depth though it obviously pinches and swells. Furthermore it carries workable values at this depth though they are not evenly distributed. The best part of the vein in the property is in the 600 feet length at the western end where the values run from lead 9%, zinc 1%, silver 0.8 ozs. over 8 feet to lead 16%, zinc a trace, silver 2 ozs. over 19 feet, these values being at vertical depths of from 550 to 690 feet. All accounts agree that this was one of the richest parts of the vein at the surface so that there is the probability here of a substantial amount of good ore. Though the results about the middle of the vein and at the extreme eastern end are less encouraging, the holes between these two parts give values from lead 4.87%, zinc 0.37%, silver 0.20% to lead 7.17%, zinc 0.28%, silver 1.00 ozs, over widths of around 15 feet. This is of considerable interest as the grand level which runs here at a depth of about 180 feet was said to be unpromising. It is possible therefore that ore shoots may occur below this horizon.

A constant constituent of the vein is barytes which varies in amount from 5 to 50%. It is difficult to give an average figure but 20% is a conservative estimate for the vein as a whole. While not of the highest quality it is yet a valuable constituent and on any flow sheet it will be recovered in a pure state. It is thus to be taken into account in assessing the economics of the ore.

C E R T I F I C A T E

1. I am Professor of Geology and Mineralogy at Aberdeen University
2. My university degree are -
Glasgow: B.Sc. (Mining), D.Sc. (Geology).
Cambridge: Ph.D. (Mineralogy and Petrology).
Chicago: M.Sc. (Geology).
3. I have no interest directly or indirectly in the property reported on or in the New Davies Oils, Ltd.
4. This report dated 4th November, 1964 is based on my personal knowledge of the Strontian area.

T.C. Phenister

4th November, 1964

THE SCOTTISH CANADIAN HIGHLAND DEVELOPMENT
AND EXPLORATION LIMITED

(See earlier report)

SITUATION. The region acquired for prospecting is ⁱⁿ the Sunart estate which comprises the land between Loch Shiel on the north and Loch Sunart on the south in Argyllshire. It is entered at Strontian by road from the south side and by this route it is distant about 130 miles from Glasgow.

acquired in

AREA. The area of the estate is around 32,200 acres.

GEOLOGY. The rocks are mainly metamorphic and consist of mica-schists and quartzites in great part injected by granite veins. On the southern side of the region these rocks are cut by the northern end of a large granite (tonalite) body that stretches 10 miles or so further south. Narrow basic dykes cut all of these rocks.

MINERALIZATION. The region has long been known for the lead-zinc veins which have been worked off and on in the 18th and 19th centuries. All the veins exploited in the past occur in a zone about $4\frac{1}{4}$ miles long and running roughly east-west across the middle of the region, about $3\frac{1}{2}$ miles north of Strontian village. These veins are situated along zones of shearing which occur usually along basic dykes running roughly east and west. The gangue consists of calcite and barytes in varying proportions, the ore minerals being galena and zincblende.

The veins appear to be unconnected with the granite as ~~they~~ ^{some} cut right across the end of this body and are controlled entirely by the later shearing which has affected all the rocks, schists, gneisses and granite alike.

PREVIOUS WORK. Three main parts of this $4\frac{1}{4}$ mile zone have been exploited by the early miners; on the west, the Corrantee vein, in the middle the so-called Strontian main vein, and on the west a set of at least 5 veins grouped together as the Fee Donald mines. Between these sections there are occasional signs of shearing and mineralization which suggest connecting veins and in places small holes have been opened to explore these and possibly recover some ore.

The major engineering work in the early days was the driving of an adit 1230 feet long from the south to intersect the Strontian main vein at a depth of about 180 feet with the extension from this of a level along the vein 1272 feet to the east and 708 feet to the west, the "grand level".

Between 1950 and 1958 magnetic, geochemical and air surveys were made of parts of the ground and sampling of parts of the old workings were carried out but no drilling or mining was attempted.

PRESENT EXPLORATION. This has been concerned mainly with field mapping of the geology and particularly with the assessment on the ground of all the reports and records of previous workings. As well as the Strontian main vein section, which is being explored by New Davies Oils, Ltd., special attention has been paid to the Corrantee and Fee Donald mines and also to the stretches in between.

At the Corrantee the vein is exposed over a distance of about 2700 feet and is seen to vary between 1.5 and 15 feet in width. The dip is very steep to the south. The old workings have penetrated the vein horizontally to around 750 feet and vertically to a depth of 200 feet. So far as one can see there is no sign that the vein is diminishing or losing its values along the strike or in depth and this is borne out also by all the records that are available. The old dumps contain a large amount of zincblende and even allowing for the metallurgical difficulties that would obtain when the deposit was worked it looks as though there was a higher percentage of zinc here than in the veins to the east. This is borne out also by the evidence from the walls of the old stopes. Sampling of these by one of the operators in 1950 gave values around lead $5.37\frac{7}{8}\%$ zinc $5.85\frac{7}{8}\%$ silver 1.85 ozs. but there is always the question here whether this is typical of the ore that was actually taken out. An assay of hand-picked galena made some years ago gave 18 ozs. of silver per ton of the mineral.

The gangue differs from that of the veins to the east in that, although calcite and barytes are still abundant, quartz also appears and in parts of the vein is the main non-metallic material. As well as the zincblende and galena traces of chalcopyrite are also present and all of this suggests that we may possibly have here a different horizon of mineralization from that to the east.

Followed to the east, the vein forks, one branch running 80° E of N and the other 105° E of N. The southerly branch cannot be followed owing to the cover but the northerly one has been worked by open cast and carries ore. This vein is running towards the Strontian main vein and if it keeps its course should intersect it 1300 yards to the east. About this point in fact two veins carrying white barytes were opened in the early workings by trial pits. One of these veins is in the line of the main Strontian vein and is probably a continuation of it. The fact that the present drilling by New Davies has shown that the main

vein continues downwards to at least 1000 feet and carries values at this depth gives this intermediate ground a new interest and reinforces the possibility that there may be ore at depth between the Corrantee and the main vein.

At the other end of the $4\frac{1}{4}$ mile vein zone, the Fee Donald presents a different structural picture from the more westerly sections for here, in the side of the stream, at least five veins are exposed, three running about 93° , one 75° and the other, a cross one, 177° , all east of north. These occupy a zone something over half a mile in width; that is, much wider than the veins to the west. Only one of these veins has been worked extensively by the early miners who drove four levels and took out ore to a maximum penetration into the hillside of 1266 feet.

This set of veins is well to the north of the line of the Corrantee and Strontian main veins and its occurrence suggests that there may be more than one zone of mineralization in the area. On the south side of the zone also one of the veins strikes southwestwards towards the main vein and here again there is the possibility of connecting veins between the zones.

The easterly continuation of the Strontian main vein is along the line of a dyke that runs south of east and at the sides of which small pockets of mineralization occur. These have still to be explored as have also other small veins that have been found both in the granite and in the schists.

C E R T I F I C A T E

1. I am Professor of Geology and Mineralogy at Aberdeen University.
2. My university degrees are -
Glasgow: B.Sc. (Mining), D.Sc. (Geology).
Cambridge: Ph.D. (Mineralogy and Petrology).
Chicago: M.Sc. (Geology).
3. I have no interest directly or indirectly in New Davies Oils, Ltd.
or in the Scottish Canadian Highland Development and Exploration Ltd.
4. This report dated 4th November, 1964 is based on my personal knowledge of the Strontian area.

T. C. Phenister

4th November, 1964.

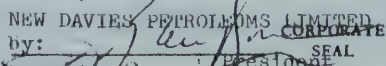
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None									
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable									
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	360,000 shares of the Company are held in escrow subject to release only on consent of the Toronto Stock Exchange. An additional 90,000 shares of the Company are held in escrow subject to release only on consent of the Canadian, Calgary, Vancouver and Toronto Stock Exchanges.									
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	The 450,000 escrowed shares referred to in item 13 are beneficially owned as follows: Compact Investments Limited, 62 Richmond Street West, Toronto - 130,000 Scottish Canadian Highland Development & Exploration Limited 320,000									
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	Houston & Co. 335 Bay Street, Toronto 130,000 (1) Scottish Canadian Highland Development & Exploration Limited 320,000 (2) S.J. Brooks & Co. 185 Bay Street, Toronto 192,600 (1) Compact Investments Limited 62 Richmond St. West, Toronto 130,000 (2) Stocken & Concanon Friars House, New Broad St., London E.C.2, England 128,400 (1) (1) Beneficial ownership unknown (2) Represents beneficial ownership and escrowed									
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	None. However, on a solicitation of proxies it might be said that present management would be in a position to materially affect control of the Company particularly if they secured proxies from Compact Investments Limited and Scottish Canadian Highland Development & Exploration Limited.									
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table><tr><td><u>Company</u></td><td><u>Cost</u></td><td><u>Market</u></td></tr><tr><td>14,566 shares D'Eldona Gold Mines Limited</td><td>\$1,343.35</td><td>\$1,456.60</td></tr><tr><td>150,000 shares Donalds Mines Limited</td><td>\$15,212.50</td><td>\$15,000.00</td></tr></table>	<u>Company</u>	<u>Cost</u>	<u>Market</u>	14,566 shares D'Eldona Gold Mines Limited	\$1,343.35	\$1,456.60	150,000 shares Donalds Mines Limited	\$15,212.50	\$15,000.00
<u>Company</u>	<u>Cost</u>	<u>Market</u>								
14,566 shares D'Eldona Gold Mines Limited	\$1,343.35	\$1,456.60								
150,000 shares Donalds Mines Limited	\$15,212.50	\$15,000.00								
18. Brief statement of any lawsuits pending or in process against company or its properties.	None									
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None									
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Shares of the Company are presently in the course of primary distribution to the public as will be any shares acquired through the exercise of the options referred to in item 6 hereof.									

CERTIFICATE OF THE COMPANY

DATED December 8th, 1964

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"E. Brown"

NEW DAVIES PETROLEUMS LIMITED
by:  CORPORATE SEAL

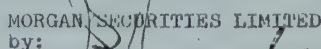
"E.F. Furniss"

Secretary

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

"J.E. Houston"

MORGAN SECURITIES LIMITED
by: 

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1379.
FILED, DECEMBER 9th, 1963.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company
Incorporated under The Companies Act of the Province
of Alberta on May 12th, 1952

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous
Filing Statement No. 1228.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Acquisition by way of assignment of interest in working option agreement. See Schedule "A" attached. See Schedule "A" on page 3.
2. Head office address and any other office address.	Head Office: 309-8th Avenue, Calgary, Alberta. Executive Office: 714-62 Richmond Street West, Toronto.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	E. F. FURNISS, President and Director, 39 Marydon Crescent, Agincourt, Ontario, Mining and Petroleum Corporate Secretary. ROBERT BROWN, Vice-President and Director, 91 Elm Ridge Drive, Toronto, Ontario, Corporate Secretary. VICTOR H. HEDGES, Secretary-Treasurer and Director, 111 Oriole Parkway, Toronto, Ontario, Security Company Executive for the past three years and prior thereto partner in a packaging sales agency. BRUCE ALBERT BLACKBURN, Director, 23 Latham Avenue, Scarborough, Ontario, Insurance Company Supervisor. MURRAY COOPER, Director, Suite 714, 62 Richmond Street West, Toronto, Ontario, Mining Executive. SAMUEL YOUNG, Director, 127 McGillivray, Toronto, Ontario, Builder.
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 4,000,000 shares without par value, of which 3,513,937 shares are issued and outstanding as fully paid and non-assessable.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Not applicable
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company plans to carry out development work on the Pine Point area mining claims allocated to it and held under working option as referred to in Schedule "A" attached. In the first instance monies will be expended and work carried out in implementation of the various recommendations contained in the Engineer's Report accompanying this Filing Statement. Monies of the Company will also be used for general administrative purposes and to pay the sum of \$27,000 payable to Mr. Cadesky by the Company pursuant to the Assignment Agreement referred to in Schedule "A" attached. See Schedule "A" on page 3.

10. Brief statement of company's chief development work during past year.	During the past year the Company itself has not carried out any exploration or development work; however, extensive diamond drilling, geophysical and underground development work have been carried out by Consolidated Gold Fields Limited without contribution to costs by the Company on the mining properties in Scotland owned by the Company and Scottish Canadian Highland Development and Exploration Limited. Reference is made to the notes to the accompanying financial statements for a summary of the various terms and conditions attaching to the working option agreement granted to Consolidated Gold Fields Limited and presently in good standing and in full force and effect.																	
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	See Schedule "A" attached on page 3.																	
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	So far as the Company is aware, no person or company has received or is entitled to receive from Mr. Stephen Yanik a greater than 5% interest in the consideration which has accrued or may accrue to him under the working option agreement. So far as the Company is aware no person or company has received or is entitled to receive from Mr. Louis Cadesky a greater than 5% interest in the \$58,000 payable to him; however, it should be noted that of such amount \$8,000 represents reimbursement to Mr. Cadesky for the sum of \$8,000 paid by him to Mr. Yanik.																	
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	276,500 shares of the Company are held in escrow 200,000 of which are subject to release only on consent of the Toronto Stock Exchange and 76,500 of which are subject to release only on consent of the Canadian, Calgary, Vancouver and Toronto Stock Exchanges.																	
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	The 276,500 escrowed shares referred to in item 13 are beneficially owned as follows:- <table><tr><td>Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario.</td><td>72,228</td><td></td></tr><tr><td>Scottish Canadian Highland Development & Exploration Limited, 62 Richmond Street West, Toronto, Ontario.</td><td>204,272</td><td></td></tr></table>			Compact Investments Limited, 62 Richmond Street West, Toronto, Ontario.	72,228		Scottish Canadian Highland Development & Exploration Limited, 62 Richmond Street West, Toronto, Ontario.	204,272										
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15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table><tr><td>Houston & Co., 335 Bay Street, Toronto, Ontario.</td><td>312,610</td><td>(1)</td></tr><tr><td>Scottish Canadian Highland Development & Exploration Limited, 62 Richmond Street West, Toronto, Ontario.</td><td>204,272</td><td>(11)</td></tr><tr><td>S. J. Brooks & Co., 185 Bay Street, Toronto, Ontario.</td><td>190,600</td><td>(1)</td></tr><tr><td>Stocken & Concannon, Friars House, New Broad Street, London E. C. 2. England.</td><td>132,900</td><td>(1)</td></tr><tr><td>Medwin & Lowy., 4 Copthall Court, London E. C. 2. England</td><td>116,800</td><td>(1)</td></tr></table> (1) Beneficial ownership unknown (11) Represents beneficial ownership and escrowed shares.			Houston & Co., 335 Bay Street, Toronto, Ontario.	312,610	(1)	Scottish Canadian Highland Development & Exploration Limited, 62 Richmond Street West, Toronto, Ontario.	204,272	(11)	S. J. Brooks & Co., 185 Bay Street, Toronto, Ontario.	190,600	(1)	Stocken & Concannon, Friars House, New Broad Street, London E. C. 2. England.	132,900	(1)	Medwin & Lowy., 4 Copthall Court, London E. C. 2. England	116,800	(1)
Houston & Co., 335 Bay Street, Toronto, Ontario.	312,610	(1)																
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Medwin & Lowy., 4 Copthall Court, London E. C. 2. England	116,800	(1)																

THIS IS SCHEDULE "A"

referred to in the annexed
Filing Statement

New Davies Petroleum Limited ("New Davies"), 62 Richmond Street West, Toronto, Ontario and Silver Miller Mines Limited ("Silver Miller"), 62 Richmond Street West, Toronto, Ontario, have entered into an agreement (the "Assignment Agreement") dated November 24th, 1965 with Louis Cadesky, 649 Spadina Road, Toronto, Ontario, whereunder in consideration of the payment of \$58,000 New Davies and Silver Miller will succeed to all of the right, title and interest held by Mr. Cadesky in the agreement (the "Working Option Agreement") dated October 30th, 1965 made between Mr. Cadesky and Stephen Yanik, 9340 146th Street, Edmonton, Alberta, and relating to a total of 65 mineral claims in the Pine Point Area, Northwest Territories. The mineral claims have been allocated amongst New Davies and Silver Miller as follows:-

New Davies allocation 30 claims bearing numbers: N69004-05-06-07-08-09-10-11-12-13; N69020-21-22-23-24-25-26-27-28-29; N69036-37-38-39-40-41-42-43-44-45.

Silver Miller allocation 35 claims bearing numbers: N69001-02-03; N69014-15-16-17-18-19; N69030-31-32-33-34-35; N69046-47-48; N67951-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67.

The Working Option Agreement provided for an initial payment of \$8,000 which was duly made by Mr. Cadesky and in consideration thereof exploration may be carried out on the mineral claims. In order to continue the option the sum of \$16,000 is payable on or before October 30th, 1966 whereupon the period of the option is extended for one year and to fully exercise the option an additional sum of \$16,000 is payable on or before October 30th, 1967, and there is to be issued to Mr. Yanik 10% of the authorized capital of a new company to be incorporated after October 30th, 1965 with provision that the new company will have an authorized capital of not less than 3,000,000 shares, or in the place thereof, there may be issued to Mr. Yanik 100,000 shares of a company incorporated prior to October 30th, 1965. Of the shares accruing to Mr. Yanik 90% are to be held in escrow, subject to release only on the written consent of that company and of such Securities Commissions or like regulatory authorities as may be applicable and subject further to transfer, hypothecation, assignment or other alienation only with the written consents of such Securities Commissions or like regulatory authorities. It is also stipulated that the mineral claims are to be kept in good standing during the currency of the option and at least one year's assessment work performed and recorded.

The payment to Mr. Cadesky by New Davies and Silver Miller is allocated as follows:-

New Davies	\$27,000
Silver Miller	31,000
	<u>\$58,000</u>

The Assignment Agreement provides that if New Davies or Silver Miller wishes to continue their interest relative to the mineral claims allocated to them, then they shall pay their proportionate share of the option payments payable under the Working Option Agreement, such payments to be made in the proportion which the number of claims allocated to each of them bears to the total block of 65 mineral claims. If one of the Parties has not made an option payment within ten days of the date thereof, the other Party who has made its proportionate payment may make the defaulting Party's payment, whereon the mineral claims allocated to the defaulting Party shall be deemed to be allocated as to an 100% interest therein to the Party who has made good the payment of the defaulting Party. In the event of a Party defaulting in its share of either of the option payments, such Party shall have no further rights under the Assignment Agreement and the mineral claims allocated to it.

Unless otherwise agreed between the Parties, at any time after and only after the making of the \$16,000 payment falling due by October 30th, 1967 under the Working Option Agreement, a Party may on notice to the other Party cause to be incorporated a new company ("Newco") with an authorized capital of 3,000,000 shares to acquire the mineral claims which are the subject matter of the Working Option Agreement. Newco shall issue such number of vendor's shares to acquire the mineral claims as the Parties may agree, and failing agreement such number of vendor's shares as may be permitted by the then current practice of the Ontario Securities Commission and said vendor's shares shall be allocated

- (a) as to 300,000 to Stephen Yanik; and
- (b) the remaining vendor's shares shall be divided among the Parties in such proportion as they may agree and failing agreement such allocation shall be determined by arbitration, it being provided that the remaining vendor's shares shall be divided into 10 units and neither Party shall receive less than one of such units. The remaining units shall then be divided between the Parties in accordance with the then ascertainable economical value of the mineral claims allocated to each Party and which are acquired by Newco. If arbitration is necessary, the arbitrator shall be either the senior engineer or geological consultant to the Ontario Securities Commission whom failing an arbitrator to be appointed on application to a Judge of the Supreme Court of Ontario.

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED

(Incorporated under the laws of the Province of Alberta)

BALANCE SHEET

AS AT OCTOBER 31, 1965

(Prepared from the books of account without audit)

ASSETS		LIABILITIES	
Current assets		Current liabilities	
Cash and short-term deposit	\$ 52,884.18	Accounts payable	\$ 4,586.10
Marketable securities, at cost (market value \$43,600.00)	43,217.50		
Accounts receivable	<u>3,855.59</u>	Capital and deficit	
	\$ 99,957.27		
Investments		Capital stock	
Shares in affiliated companies, at cost			
(market value \$21,000.00)	\$ 15,212.50	Authorized:	
Royalties, at nominal value	<u>2.00</u>	4,000,000 shares without par value	
	15,214.50		
Capital assets		Issued and fully paid:	
Interest in petroleum and natural gas leases		3,513,937 shares (of which 400,000 were issued for	\$1,469,468.50
and productive wells (acquired from pre-		\$80,000.00 cash during the year)	
decessor company)	\$ 37,136.17		
Production equipment, at cost	4,463.84	Deficit, per statement	<u>927,155.25</u>
Unpatented mining claims, at valuation attributed			542,313.25
to 200,000 shares of capital stock issued for			
the claims plus \$1,712.50 paid in cash	101,767.50		
Exploration license on mining properties in Scotland,			
at valuation attributed to 100,000 shares of capital			
stock issued for the license plus \$125,000.00 paid	142,500.00		
in cash (Note 3)	<u>651.49</u>		
Office furniture and equipment, at cost less	286,519.00		
\$264.12 depreciation			
	\$134,853.06		
Deferred expenditures	<u>10,355.52</u>		
Mine exploration expenditures, per statement	145,208.58		
Organization cost	\$546,899.35		

The accompanying notes are an integral part of the financial statements.

Approved on behalf of the
Board of Directors:

[Signature] (Director)

NEW DAVIES PETROLEUMS LIMITED

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 1965

- Note 1 - By an agreement dated June 2, 1952 the company acquired all the assets and undertakings of Davies Petroleum Limited (non-personal liability) for a consideration of 1,849,994 shares of the company's capital stock. The assets acquired from this predecessor company and still owned by the company are carried at valuations determined by the management at time of acquisition except for two producing leases which were subsequently written down to a nominal value of \$2.00.
- Note 2 - No provision has been made by the company for depletion of producing leases, amortization of producing well costs and depreciation of equipment since it acquired these assets. The necessary information to determine the amounts to be provided for is not available.
- Note 3 - The company and Scottish Canadian Highland Development & Exploration Limited have entered into a development agreement with Consolidated Gold Fields Limited for the exploration and development for minerals of certain lands in Scotland held under exploratory license. The portion thereof held by the company comprises some 1,380 acres and the remaining portion held by Scottish Canadian comprises some 32,200 adjoining acres.

Under the development agreement New Davies and Scottish Canadian have granted Consolidated Gold Fields Limited the sole right to carry out exploration and development work on the said lands, the nature, cost and extent of such work to be in Consolidated Gold Field's sole discretion. The exploration and development period granted to Consolidated Gold Fields is for two years from January 1, 1965 but will be extended for a further period of one year if Consolidated Gold Fields has expended a minimum of \$250,000.00 on exploration and development work during the initial two year period.

If during the examination period Consolidated Gold Fields decides to bring a mine to production, it is required to notify the other parties and to proceed as it deems appropriate but with reasonable dispatch to implement such decision. As soon as the mine has attained the full rate of production, profits of the venture are to be applied in repayment pro rata of exploration expenses incurred by all the three parties to the development agreement. It has been agreed for this purpose that the exploration expenses for New Davies and Scottish Canadian is \$250,000.00.

New Davies and Scottish Canadian have further agreed that as payments on account of the said \$250,000.00 are received, same shall accrue to them pro rata in proportion to their actual exploration expenses until their respective exploration expenses have been fully repaid, and thereafter surplus monies, if any, will be divided equally between them.

After the exploration expenses have been repaid New Davies and Scottish Canadian will each receive 12½% of the profits derived from the mining operations or, if Consolidated Gold Fields so elects at any time before all exploration expenses have been repaid, a royalty of 37½¢ to each company for each ton of ore treated.

- Note 4 - Subsequent to the balance sheet date the company purchased additional marketable securities at a cost of \$10,030.00.

NEW DAVIES PETROLEUMS LIMITED

DEFERRED MINE EXPLORATION EXPENDITURES

FOR THE YEAR ENDED JUNE 30, 1965 AND FOUR MONTHS ENDED OCTOBER 31, 1965
(Prepared from the books of account without audit)

	Year Ended June 30, 1965	Four Months Ended October 31, 1965
<u>Balance at beginning of period</u>	\$ 94,146.53	\$134,408.87
<u>Additions during period</u>		
County of Argyle, Scotland		
Diamond drilling	\$ 9,979.78	\$ -
Engineers' fees and expenses	1,908.79	-
Supervision	752.50	-
Assays	127.92	-
Miscellaneous	576.26	103.69
	\$ 13,345.25	\$ 103.69
<u>Other properties</u>		
Geophysical survey	2,350.00	-
Government licenses	340.00	340.50
	\$ 16,035.25	\$ 444.19
Administrative travelling - Scotland	6,120.28	-
Administrative and general expenditures apportioned to mine exploration	18,106.81	-
	\$ 40,262.34	\$ 444.19
<u>Balance at end of period</u>	\$134,408.87	\$134,853.06

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF OPERATIONS AND DEFICIT

FOR THE YEAR ENDED JUNE 30, 1965 AND FOUR MONTHS ENDED OCTOBER 31, 1965
(Prepared from the books of account without audit)

	Year Ended June 30, 1965	Four Months Ended October 31, 1965
<u>Revenue</u>		
Production from wells	\$ 4,277.73	\$ 729.47
Expense recovery out of production	3,196.86	809.01
	<u>\$ 7,474.59</u>	<u>\$ 1,538.48</u>
Deduct - royalties	\$ 675.17	\$ 113.43
- operating expenses	2,326.68	383.56
	<u>\$ 3,001.85</u>	<u>\$ 496.99</u>
<u>Profit from production</u> (before depletion and depreciation)	\$ 4,472.74	\$ 1,041.49
<u>Administrative and general expenditures</u>		
Accounting and secretarial services	\$ 4,750.00	\$ 1,300.00
Management fees	900.00	300.00
Share issue and transfer expenses	2,815.54	263.02
Directors' and officers' salaries	4,500.00	-
Legal, audit and other professional services	9,376.00	75.41
Shareholders' information and publicity	1,361.72	-
Directors' fees	450.00	150.00
Stock exchange fees and expenses	733.85	-
Telephone and telegraph	1,981.41	263.25
Depreciation - office furniture and equipment	91.59	-
General office expenses	585.26	111.26
Travelling	-	1,763.00
	<u>\$ 27,545.37</u>	<u>\$ 4,225.94</u>
Less - portion transferred to deferred mine exploration	18,106.81	-
	<u>\$ 9,438.56</u>	<u>\$ 4,225.94</u>
<u>Net loss before sundry income</u>	\$ 4,965.82	\$ 3,184.45
Deduct - interest and dividend income	2,562.28	741.40
<u>Net loss for the period</u>	\$ 2,403.54	\$ 2,443.05
Deficit at beginning of period	923,908.18	926,311.72
Profit from sale of shares of affiliated company	-	(1,599.52)
<u>Deficit at end of period</u>	<u>\$926,311.72</u>	<u>\$927,155.25</u>

Note - Production for the months of September and October of 1965 are not included above as these figures are not yet available.

NEW DAVIES PETROLEUMS LIMITED

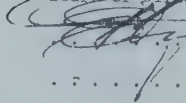
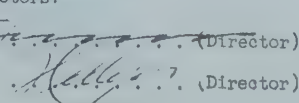
STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED JUNE 30, 1965 AND FOUR MONTHS ENDED OCTOBER 31, 1965
(Prepared from the books of account without audit)

	Year Ended June 30, 1965	Four Months Ended October 31, 1965
<u>Source of funds</u>		
Issue of 400,000 shares of capital stock	\$80,000.00	\$ -
Proceeds from sale of shares of affiliated company	-	2,942.87
	<u>\$80,000.00</u>	<u>\$ 2,942.87</u>
<u>Application of funds</u>		
Net loss for the period	\$ 2,403.54	\$ 2,443.05
Less - depreciation of office furniture and equipment	91.59	-
	<u>\$ 2,311.95</u>	<u>\$ 2,443.05</u>
Mine exploration expenditures	40,262.34	444.19
Addition to production equipment	1,023.93	-
Property transfer fees (charged to mining claims account)	55.00	-
	<u>\$43,653.22</u>	<u>\$ 2,887.24</u>
<u>Increase in working capital for period</u>	\$36,346.78	\$ 55.63
		<u>36,346.78</u>
<u>Total increase in working capital</u> (see below)		<u>\$36,402.41</u>

	June 30, 1964	October 31, 1965	Increase (Decrease) in Working Capital
<u>Current assets</u>			
Cash and short-term deposits	\$62,976.76	\$52,884.18	(\$10,092.58)
Marketable securities	-	43,217.50	43,217.50
Advances to Scotland	8,460.94	-	(8,460.94)
Accounts receivable	808.35	3,855.59	3,047.24
Accrued interest	111.23	-	(111.23)
	<u>\$72,357.28</u>	<u>\$99,957.27</u>	<u>\$27,599.99</u>
<u>Current liabilities</u>			
Accounts payable	\$12,388.52	\$ 4,586.10	\$ 8,802.42
<u>Working capital</u>	<u>\$58,968.76</u>	<u>\$95,371.17</u>	<u>\$36,402.41</u>

Approved on behalf of the
Board of Directors:

 (Director)
 (Director)

ENGINEER'S REPORT

Note - The following are excerpts from a report by J.D. Harvey, B.Sc., P.Eng., dated November 29th, 1965, on mining claims located in the Pine Point Area, District of Mackenzie, Northwest Territories. A complete copy of this report is on file with the Toronto Stock Exchange.

SUMMARY

The two claim groups comprising 65 contiguous claims situated in the Pine Point lead-zinc mining camp are located approximately 15 miles due south of Presqu'ile Point on the south shore of Great Slave Lake. Within four miles of the properties north boundary there exists excellent road and railroad facilities which terminate at the Pine Point Mines property situated 10 miles to the northeast which is currently being readied for production.

To date Pine Point Mines has discovered a number of rich lead-zinc deposits along a belt approximately 20 miles long and 2 to 4 miles wide. Ore reserves reported at this time are 17.5 million tons grading 4.8% lead and 7.4% zinc. Recently, the Pyramid Mining Company Limited has reported the discovery of a significant high grade lead-zinc deposit 6 miles east of the Pine Point orebodies. The deposits currently available for production are amenable to open pit mining and later this year Pine Point Mines plan to operate on an initial rate of 5000 tons per day.

All of the ore deposits found to date occur within a recrystallized, reefoidal, dolomitized sedimentary bed called the Presqu'ile Formation. The favorable bed, formally an unaltered limestone, has been placed by government geologists in the stratigraphic column between the overlying Slave Point Formation and underlying Pine Point Formation all belonging to the Middle Devonian period of the Palaeozoic era. Structurally the lead-zinc ore, accompanied with its gangue mineral assemblage of marcasite, calcite, silica, and minor silver and copper, has been deposited in the shattered crests and troughs of broad folds where they are intersected by deep-rooted Precambrian fault zones along which the ore solutions are believed to have emanated. The fold axes and fault structures both trend obliquely to each other, in a general southwest direction thereby placing the properties on strike with the known deposits of the area. The Presqu'ile Formation trends in a north-westerly direction with a regional dip of approximately 20 feet to the mile. Previous drilling by the Consolidated Mining and Smelting interests has shown that the Presqu'ile dolomite underlies the claims.

Exploration programs in the area in the past have been most successful by utilizing the induced polarization method of geophysical surveying. A high ratio of economic diamond drill targets has resulted from this method of surface prospecting over areas where the Presqu'ile Formation is known to lie.

It is recommended that initially, induced polarization surveys be conducted over the claim groups. After the geophysical surveys are carried out, on 400 foot line spacing at 100 foot station intervals, any anomalies found should be tested with diamond drilling. Costs of such a program would be at a minimum, in the order of \$17,500.00 and \$15,000.00 respectively for Silver Miller and New Davies.

CONCLUSIONS

The two contiguous claim groups lie within the favorable mineralized lead-zinc belt which has already yielded several ore bodies to Pine Point Mines Limited. The claims can all be readily serviced by nearby road, railroad and electric power sources.

Favorable conditions which are thought to control the ore deposition at the Pine Point Mines and believed to be present on the properties are:

- 1) the host sedimentary recrystallized reefoidal dolomite bed designated the Presqu'ile Formation.
- 2) important anticlinal and synclinal fold structures which localize the ore
- 3) deep-seated basement Precambrian fault zones along which the ore solutions are postulated to have migrated along from their source.

The claims are situated along the projected extension of the above conditions which have been shown to trend in a general southwesterly direction, in the immediate area of Pine Point Mines Limited.

The properties apparently have not previously been held and hence little is known of the geological conditions underlying the surface. Structural drilling in the area by the Cominco interests however has indicated the existence of the Presqu'ile below the surface of the groups. No outcrops have been found on the properties and the thick overburden indicated should be passed through with deep penetrating diamond drill and induced polarization equipment which will be necessary to reach the important Presqu'ile Formation which is believed to lie at least 200 feet below the surface. The total minimum cost of such a program for each of Silver Miller and New Davies will be \$17,500.00 and \$15,000.00 respectively.

RECOMMENDATIONS

- 1) A grid system should be established on the groups with base and control lines set at south 65 degrees west and picket lines at right angles to the latter cut at 400 foot intervals and stations placed every 100 feet apart.
- 2) An induced polarization survey should be carried out on the above grid system.
- 3) A diamond drill program will be necessary in order to test any anomalous conditions indicated by the geophysical surveys.

COST ESTIMATES

The following is a breakdown of the anticipated costs for the 3 groups
in carrying out the above recommendations:

Silver Miller

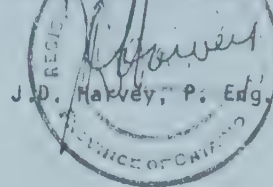
1)	40 miles picket lines @ \$75.00 per mile	=	\$ 3,000.00
2)	40 " I.P. surveying @ \$300.00 per mile	=	12,000.00
3)	Supervision, reports, etc.	=	<u>2,500.00</u>
	Total		\$ <u>17,500.00</u>

New Davies

1)	35 miles picket lines @ \$75.00 per mile	=	\$ 2,625.00
2)	35 " I.P. surveying @ \$300.00 per mile	=	10,500.00
3)	Supervision, reports, etc.	=	<u>1,875.00</u>
	Total		\$ <u>15,000.00</u>

A total therefore of \$17,500.00, and \$15,000.00 should be provided at
a minimum respectively for the Silver Miller and New Davies. The costs of
diamond drilling cannot be estimated at the present time as they are depen-
dent on the results of the I.P. surveys.

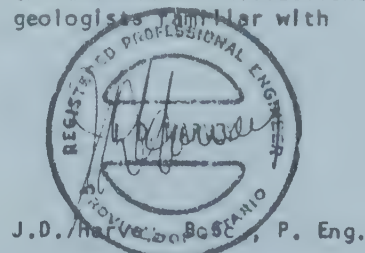
Respectfully submitted,



CERTIFICATE OF QUALIFICATION

I, J.D. Harvey, of the Town of Timmins, in the County of
Cochrane, Province of Ontario, hereby certify:

1. That I am a geologist residing at 63 Carlin Avenue,
Timmins, Ontario.
2. That I am a graduate of the University of New Brunswick
with the Degree of Bachelor of Science.
3. That I am a registered Professional Engineer in the Province
of Ontario, and have practiced my profession as Geologist
for the past 6 years.
4. That I have no interest directly or indirectly, nor do I
expect any such interest directly or indirectly in the
properties or securities of Silver Miller Mines Limited or
New Davies Petroleum Limited.
5. That the accompanying report is based on personal knowledge
of the area as the result of a visit conducted during the
period September 25th to October 5th, 1965 to neighbouring
properties of the area, and on personal examination of outcrop
specimens and ore material from Pine Point Mines Limited. It
is also based on published data of the area and on discussions
carried out on the area with other geologists familiar with
the area.



Dated at Toronto,
in the County of York,
Province of Ontario,
this 29th day of
November, 1965.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	None. However on a solicitation of proxies it might be said that present management would be in a position to materially affect control of the Company particularly if they secured proxies from Compact Investments Limited and Scottish Canadian Highland Development & Exploration Limited.		
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<u>Name of Company:</u>	<u>Cost:</u>	<u>Market:</u>
	150,000 Donalda Mines Limited	\$15,212.50	\$23,250.00
	100 Falconbridge Nickel Mines Limited	8,850.00	10,750.00
	200 Royal Bank of Canada	15,670.00	14,200.00
	200 Steel Company of Canada	6,020.00	5,050.00
	200 Toronto Dominion Bank	12,677.50	12,200.00
	1000 Patino Mining Corporation	10,030.00	10,500.00
18. Brief statement of any lawsuits pending or in process against company or its properties.	None		
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None		
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Shares of the Company are not presently in the course of primary distribution to the public. An affidavit by the vendor of the mining claims, Louis Cadesky, has been filed with the Exchange and is available for inspection.		

DATED November 29th, 1965

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"E.F. Furniss"

NEW DAVIES PETROLEUMS LIMITED

CORPORATE

By

SEAL

"R. Brown"

President

CERTIFICATE OF UNDERWRITER OR OPTIONEE Vice-President

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE TORONTO STOCK EXCHANGE

20/3/69
1/5/69
31/7/69

FILING STATEMENT NO. 1710
FILED, SEPTEMBER 24th 1969.

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company
Incorporated under The Companies Act of the Province of Alberta
on May 12th, 1952

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No. 1379.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Acquisition of mining claims. See Item 11. (b) Convening of Special General Meeting of Shareholders to authorize a capital increase. See Item 4. (c) Rights offering to shareholders with underwriting of a portion of the rights not taken up. See Item 6 and also Schedule "A" on page 3.
2. Head office address and any other office address.	Head Office: 309-8th Avenue, Calgary, Alberta. Executive: 10th Floor, 366 Bay Street, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	E. FRANKLIN FURNISS, President and Director, 39 Marydon Crescent, Agincourt, Ontario. Owner of Corporate Services, a Proprietorship providing secretarial services. MURRAY COOPER, Vice-President and Director, 2500 Bathurst Street, Toronto 19, Ontario. Mining Executive. VICTOR H. HEDGES, Secretary-Treasurer and Director. 111 Oriole Parkway, Toronto 7, Ontario. Since September 1968, Manager, Commercial Division, Anning Services Limited, Security Service, Toronto. Prior thereto Security Company Executive of Warwood & Hedges, Security Service. BRUCE A. BLACKBURN, Director. 23 Latham Avenue, Scarborough, Ontario. Insurance Executive and editor of Life Underwriters News. ROBERT BROWN, Director, 6 Zaharias Court, Willowdale, Ontario. Corporate Secretary, self-employed. SAMUEL YOUNG, Director, 29 High Point Road, Don Mills, Ontario. Sole owner of Leader Real Estate Limited.
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 4,000,000 shares without par value of which 3,513,939 shares are issued and outstanding as fully paid and non-assessable. The Company has agreed to convene a Special General Meeting of its Shareholders for the purpose of passing a resolution authorizing an increase in the Company's capital by the creation of an additional 3,500,000 shares without par value ranking on a parity with the existing shares of the Company so that following such capital increase the authorized capital of the Company will consist of 7,500,000 shares without par value of which 3,513,939 shares will be issued and outstanding as fully paid and non-assessable. Such special general meeting of shareholders was subsequently held July 2, 1969, and the Company's authorized capital duly increased to 7,500,000 shares.

5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See Schedule "A" on page 3.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	The only persons having a greater than 5% interest in Alness Investments Limited are Martin B. Fremont, 321 Chaplin Crescent, Toronto, Ontario, and A. G. Fisher, C. A., 366 Bay Street, Toronto, Ontario.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	In consideration of Alness Investments Limited entering into the back-up underwriting agreement referred to in Schedule "A" the Company has agreed to pay it a stand-by fee of \$6,250.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company plans to carry out development work on the 204 Mont Laurier Area claims referred to in item 11 in accordance with the recommendations contained in the report of Peter Holley-Hime dated February 4, 1969, which accompanies this Filing Statement. The initial phase of development work is estimated to cost \$20,000 and, if warranted, the succeeding stage of development work is estimated to cost \$40,000. Monies received by the Company from the rights offering to be made to Shareholders as referred to in Schedule "A" will be used to implement the development program on the Mont Laurier claims, to discharge the Company's indebtedness amounting to \$40,000 and for general administrative purposes. The Company also holds a 75% interest in 5,170 acres and a 50% interest in 27,020 acres in the Strontium Area of Scotland. No work is presently planned on these properties.
10. Brief statement of company's chief development work during past year.	For the past several years the Company has had the privilege of selecting an area of 5,000 acres from holdings enjoyed by Scottish Canadian Highland Development and Exploration Limited ("Scottish Canadian") in the Sutherland Estates in Scotland. The Scottish Canadian holdings have been the subject matter of extensive exploration work carried out under the auspices of the geology department of the University of Strathclyde, such work consisting of surface exploration and detailed geo-chemical sampling, a substantial portion of which was carried out in 1968. Mr. P. Holley-Hime, Consulting Geologist, has estimated the dollar value of this work at approximately \$25,000. Following a review of the results of such work, and geo-chemical analyses performed in Canada by Barringer Research, the Company with the assistance of Mr. P. Holley-Hime by agreement dated March 27, 1969 with Scottish Canadian, selected an area of 5,000 acres in the Sutherland Estates which area is held in trust for the Company by Scottish Canadian. During the exploration period the Company has the right to select portions of the 5,000 acre tract to be converted to 21 year lease under which a royalty of 5% of net smelter returns is payable. The right to explore the lands selected by the Company and other lands owned by Scottish Canadian expired April 1969, and Scottish Canadian has applied to the Trustee of the Estate for a two year renewal of such exploratory rights; however, the government has introduced the Betterment Levy which serves to operate harshly against landowners who enter into agreements with mining developers. The exploratory rights have accordingly not been renewed but the Company feels there is a reasonable expectation of renewal following a rescinding of the Betterment Levy.

This is Schedule "A" referred to in
the annexed Filing Statement of
NEW DAVIES PETROLEUMS LIMITED.

The Company is offering rights to its shareholders entitling them to purchase 1 share of the Company for every share held, at the price of 12¢ per share, such rights offering accordingly extending to a total of 3,513,939 shares of the Company. Such rights will be issued to shareholders of record at the close of business on October 10, 1969, and will expire at the close of business on November 10, 1969. Rights may be exercised at the offices of Guaranty Trust Company of Canada at their principal offices in the Cities of Toronto and Vancouver. By agreement dated May 14th, 1969, Alness Investments Limited, 121 Richmond Street West, Toronto, Ontario, acting solely on its own behalf has undertaken that the Company will receive not less than the sum of \$125,000 under the said rights offering, and to this end has agreed that immediately following the end of the period during which the said rights may be exercised, it will purchase, at 15¢ per share, a sufficient number of treasury shares of the Company so that the Company will receive not less than the sum of \$125,000 as a result of monies received from rights subscribed for by shareholders and shares purchased by Alness Investments Limited as aforementioned.

The new issue will not be registered under The Securities Act of 1933 of the United States of America and subscriptions will not be accepted from shareholders whose recorded addresses are in the United States of America, its territories or possessions. The rights will, however, be transferable and will be traded on the Toronto Stock Exchange until shortly before they expire. There is understood to be no objection to a United States shareholder selling his rights.

Alness Investments Limited has agreed that any shares purchased by it pursuant to its aforementioned agreement will only be offered for sale to the public in the Province of Ontario and that prior thereto the requisite requirements of the Ontario Securities Commission and the Toronto Stock Exchange will be complied with. The Company has agreed with Alness Investments Limited that, if so requested by it, the Company will, at its own expense, endeavour to effect compliance with such requirements.

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED
(Incorporated under the laws of the Province of Alberta)

BALANCE SHEET - APRIL 30, 1969

UNAUDITED

ASSETS

Current:			
Cash	\$	1,937	
Miscellaneous advances		<u>498</u>	\$ 2,435
Capital:			
Interest in petroleum and natural gas leases and producing well acquired from predecessor company (Notes 1 and 2)		37,136	
Production equipment, at cost (Note 2)		8,537	
Exploration license in Scotland at valuation attributed to 100,000 shares of capital stock issued therefor plus \$125,000 paid in cash (Note 3)		142,500	
Unpatented mining claims in the Mont Laurier Uranium Area, Province of Quebec, at cost		10,200	
Furniture and equipment at cost less \$412 accumulated depreciation		221	
Royalties, at nominal value		<u>2</u>	198,596
Deferred expenditures:			
Mine exploration		179,701	
Organization costs		<u>10,356</u>	<u>190,057</u>
			<u>\$391,088</u>

LIABILITIES

Current:			
Accounts payable	\$	21,324	
Loan payable		10,500	
Bank loan		<u>5,000</u>	36,824

SHAREHOLDERS' EQUITY

Capital:			
Authorized:			
4,000,000 shares, no par value			
Issued and fully paid:			
3,513,939 shares		1,469,471	
Deficit		<u>1,115,207</u>	<u>354,264</u>
			<u>\$391,088</u>

See accompanying notes.

Approved on behalf of the Board of Directors:

..... (Director:
..... (Director)

LAVENTHOL KREKSTEIN HORWATH & HORWATH

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF OPERATIONS

TEN MONTHS ENDED APRIL 30, 1969

UNAUDITED

Revenue:		
Production from wells		\$ 2,589
Less:		
Royalties	\$ 480	
Operating expenses	<u>4,748</u>	<u>5,228</u>
Loss from production (before depletion, amortization and depreciation)		2,639
Administrative and general expenses:		
Rent, accounting and secretarial services	3,350	
Management fees	300	
Share issue and transfer expenses	1,538	
Directors' and officers' fees and remuneration	1,200	
Legal and audit fees	505	
Shareholders' information and meeting costs	864	
Interest and bank charges	409	
Miscellaneous	<u>325</u>	
	8,491	
Less portion transferred to mine exploration expenditures	<u>2,828</u>	<u>5,663</u>
Net loss		8,302
Deficit, July 1, 1968		<u>1,104,807</u>
		1,113,109
Add:		
Cost of mining claims abandoned	1,573	
Exploration on and administrative expenditures attributed to the aforesaid mining claims	<u>1,844</u>	<u>3,417</u>
		1,116,526
Less:		
Adjustment of prior year's net loss		<u>1,319</u>
Deficit, April 30, 1969		<u>\$1,115,207</u>

MINE EXPLORATION EXPENDITURES

TEN MONTHS ENDED APRIL 30, 1969

UNAUDITED

County of Argyle, Scotland:		
Engineering and supervision fees and expenses	\$ 215	
Miscellaneous	<u>461</u>	\$ 676
Mont Laurier, Quebec:		
Engineering fees	300	
Miscellaneous	<u>148</u>	448
Abandoned claims:		
Courtemanche Township, Quebec	333	
Ottaway Township, Ontario	<u>100</u>	<u>433</u>
		1,557
Administrative and general expenditures apportioned to mine exploration		<u>2,828</u>
Total expenditures		4,385
Balance deferred, July 1, 1968		<u>177,160</u>
		181,545
Less expenditures on mining claims abandoned, written off to deficit:		
Exploration	1,344	
Administrative	<u>500</u>	<u>1,844</u>
Balance deferred, April 30, 1969		<u>\$179,701</u>

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

TEN MONTHS ENDED APRIL 30, 1969

UNAUDITED

Source of funds:

Proceeds from sale of 2 shares of capital stock	\$ 2	
Reduction of account payable	<u>451</u>	\$ 453

Application of funds:

Net loss for period	\$ 8,302	
Purchase of mining claims	10,200	
Purchase of production equipment	67	
Mine exploration expenditures	<u>4,385</u>	
	22,954	
Less expenditures not requiring an outlay of funds during period	<u>461</u>	<u>22,493</u>

Decrease in working capital		22,040
-----------------------------	--	--------

Working capital deficiency at beginning of period		<u>12,349</u>
---	--	---------------

Working capital deficiency at end of period		<u>\$34,389</u>
---	--	-----------------

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 1969

1. Interest in petroleum and natural gas leases and producing wells:

By an agreement dated June 2, 1952 the company acquired all the assets and undertakings of Davies Petroleum Limited (non-personal liability) for a consideration of 1,849,994 shares of the company's capital stock. The assets acquired from this predecessor company and still owned by the company are carried at valuations determined by the management at time of acquisition except for two producing leases which were subsequently written down to a nominal value of \$2.

2. Depletion, amortization and depreciation:

No provision has been made by the company for depletion of producing leases, amortization of producing well costs and depreciation of production equipment since it acquired these assets. The necessary information to determine the amounts to be provided is not available.

3. In consideration for the performance in 1968 of a diamond drilling program on certain lands held under exploration license in Scotland by Scottish Canadian Highland Development and Exploration Limited, the company has earned an undivided interest in the lands, as follows:

75% interest in approximately 5,170 acres

50% interest in approximately 27,030 acres

ENGINEER'S REPORT

NOTE-The following excerpts are from a report by P. Holley-Hime, M.A. P. Eng., M.C.I.M., dated February 4th, 1969, on mining property located at Mont Laurier. A copy of this report is on file with the Toronto Stock Exchange.

SUMMARY, OF QUALIFYING REPORT

Your company has recently acquired 204 claims, roughly 8160 acres, in the Mont Laurier uranium area based on a careful selection of known favourable geological conditions. No work has been done on your ground.

The regional geologic setting of your property is similar to that in which Canadian Johns-Manville, Canadore, Phelps Dodge and others have located interesting uranium mineralisation. Canadian Johns-Manville, Canadore and Scandia are currently drilling and the former are reported to be developing an increasingly important situation.

A program of development on your property is definitely warranted due to its favourable geological setting and a recommended program with cost estimates is given herein.

The program calls for scintillometer work, trenching and sampling of outcropping anomalous areas and diamond drilling of same, which might necessitate expenditures of up to \$20,000 in Phase I. Phase II is contingent on results of Phase I and would require additional expenditures, perhaps of up to \$40,000 for Phase II.

P. Holley-Hime



February 4, 1969

P. Holley-Hime, M.A. P. Eng.

RECOMMENDATIONS

1. Airborne scintillometer survey 1/8th mile intervals.
2. Ground scintillometer survey using constant audio read-out instrument. Survey to be over a line grid east and west (subject to a ground check) on 200 foot centres with readings taken every 50 feet over anomalous airborne conditions, detailing where necessary.
3. If anomalies are located on the ground geochemical soil sampling where strike of anomalies is into overburden.
4. Strip and trench anomalies where possible.
5. Map and sample all trenches.
6. Obtain airphoto blow-ups 1 inch to 400 ft. and interpret same for structure, geology etc., and use as base map for overlays.
7. If results of the above warrant exploratory diamond drilling should be contemplated to test the anomalies and try and locate any nearby parallel uraniferous beds.
8. Further drilling, mapping and development work will be contingent upon results of the above and the weather conditions.

COST ESTIMATES

Phase I

1. Airborne scintillometer survey	\$ 3,000.00
2. Line cutting, as needed at \$75.00/mile	-
3. Scintillometer ground check as needed at \$80.00/mile	-
4. Geochemical soil surveying as needed.	-
5. Airphoto work and blow-ups.	400.00

Some expenditures for items 2,3 & 4 and supporting engineering and supervision will be required and could bring cost totals for Phase I up to

..... Total for Phase I \$ 20,000.00

6. Stripping and trenching of scintillometer anomalies as needed.	-
7. Mapping and sampling of trenches as needed.	-
8. Drilling as justified and needed from the above estimated at \$7.50/foot.	-

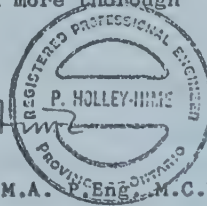
Varying amounts will probably have to be spent on items 6,7 & 8 plus expenditures for engineering and supervision and could bring cost totals in Phase II up to Total for Phase II \$ 40,000.00

CERTIFICATE OF ENGINEER'S QUALIFICATIONS

I, Peter Holley-Hime, residing at 24 Rowanwood Avenue in the City of Toronto, County of York, Ontario, do hereby certify as follows:

- 1) That I obtained an honours degree in geology, 1954, and M.A., 1960, from Trinity College, Dublin University, Ireland.
- 2) That I am a registered professional engineer of the Province of Ontario and a Member of the Canadian Institute of Mining and Metallurgy.
- 3) That I maintain offices at Suite 603, 62 Richmond Street West, Toronto 1, Ontario, where I practise my profession as a Consulting Geologist.
- 4) That I hold no interests or securities either directly or indirectly in New Davies Petroleum Limited, nor do I expect to receive any.
- 5) That this report is based on the references listed herein and on a personal visit to the property. The author has spent a total of 4 weeks in the area during November and December 1968 and January 1969, during which time the Johns-Manville, Scandia, Guardian, Canadore, Phelps Dodge and other properties were examined. Snow conditions currently prevent a more thorough examination of the ground.

P. Holley-Hime



Toronto, February 4, 1969

P. Holley-Hime, M.A., P. Eng., M.C.I.M.

HOLLEY-HIME ASSOCIATES

CONSULTING GEOLOGY, GEOPHYSICS, GEOCHEMISTRY,
MINERAL EXPLORATION, DEVELOPMENT AND ECONOMIC ANALYSIS.

SUITE 603, 62 RICHMOND ST. W.
TORONTO 1, ONTARIO, CANADA

AREA CODE (416) 364-6779
364-6936

Tues., April 15, 1969.

NEW DAVIES PETROLEUMS LTD.,
10th Floor,
366 Bay St.,
Toronto 1, Ontario.

Dear Sirs:

We have examined data pertaining to exploration work carried out on the Sutherland Estates, Scotland, of which your company has rights to 5000 acres.

This work has been under the excellent direction of Professors Phemister and Pringle and was carried out until the fall of 1968 by undergraduate and post-graduate students of the University of Strathclyde. A more intensive study we understand is planned for the 1969 season. Certainly analysis by Barringer Research have yielded very interesting values in copper and molybdenum. Regional airborne prospecting for uranium by United Kingdom Atomic Energy Division of the Geological Surveys in the area reported some anomalies and the ground should be tested accordingly.

Our company has not been involved in the field program but on the basis of our study made in conjunction with Barringer Research of the program to date we both estimate the dollar value of the work completed at \$25,000 which much the greater part would have been in the 1968 field season.

Respectfully submitted,
P. Holley-Hime
HOLLEY-HIME ASSOCIATES

PHH/rh

11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	The Company entered into an agreement dated November 22nd, 1968 with Emile Provencher, 6055-28th Avenue, Rosemount, Montreal, P. Q., whereunder Mr. Provencher staked a total of 204 mining claims in the Mont Laurier Area of the Province of Quebec, the same being more particularly summarized in the accompanying Report of Peter Holley-Hime, Geologist, dated February 4th, 1969. The Company paid \$50 for each claim staked or for a total of \$10,200. As additional consideration for the services rendered by Mr. Provencher the Company has agreed that he would be entitled to receive a 20% carried interest in the mining claims. The Company may surrender or abandon all or any part of the mining claims, and in the event of the sale by it in an arm's length transaction Mr. Provencher is entitled to receive 20% of the consideration accruing to the Company. If the Company form a new company ("Newco") to acquire the mining claims, then the vendor's consideration to be issued by Newco is to be divided as to 80% to the Company and 20% to Mr. Provencher with the further stipulation that if additional consideration is received over and above the normal vendor's consideration allowable by the regulatory authorities then 90% of the consideration would accrue to the Company and 10% to Mr. Provencher.												
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	None												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <td>Houston & Co., 335 Bay Street, Toronto, Ont.</td> <td>162,810</td> </tr> <tr> <td>Draper, Dobie & Co. Limited, 25 Adelaide St. West, Toronto, Ontario.</td> <td>132,562</td> </tr> <tr> <td>Doherty Roadhouse & McCuaig, Bros., 335 Bay Street, Toronto, Ontario.</td> <td>121,260</td> </tr> <tr> <td>S. J. Brooks & Co., 185 Bay Street, Toronto, Ont.</td> <td>112,435</td> </tr> <tr> <td>Medwin & Lowry, 4 Copthall Court, LONDON E. 6. 2, England</td> <td>100,850</td> </tr> <tr> <td colspan="2">Beneficial ownership of the above shares is unknown.</td> </tr> </table>	Houston & Co., 335 Bay Street, Toronto, Ont.	162,810	Draper, Dobie & Co. Limited, 25 Adelaide St. West, Toronto, Ontario.	132,562	Doherty Roadhouse & McCuaig, Bros., 335 Bay Street, Toronto, Ontario.	121,260	S. J. Brooks & Co., 185 Bay Street, Toronto, Ont.	112,435	Medwin & Lowry, 4 Copthall Court, LONDON E. 6. 2, England	100,850	Beneficial ownership of the above shares is unknown.	
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Medwin & Lowry, 4 Copthall Court, LONDON E. 6. 2, England	100,850												
Beneficial ownership of the above shares is unknown.													

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	None
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	None
18. Brief statement of any lawsuits pending or in process against company or its properties.	None
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	Other than the proposed offering of treasury shares to its shareholders there are no shares of the Company in the course of primary distribution to the public. There are no other material facts.

DATED May 14th, 1969

CERTIFICATE OF THE COMPANY

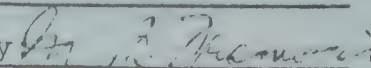
The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

NEW DAVIES PETROLEUMS LIMITED CORPORATE
 "E.F. Furniss"  SEAL
 "V.H. Hedges"  President
 CERTIFICATE OF UNDERWRITER OR OPTIONEE Secretary

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

"M.B. Fremont"

ALNESS INVESTMENTS LIMITED

By 

TORONTO STOCK EXCHANGE JAN 5 1962

AMENDING FILING STATEMENT No. 59.
FILED, NOVEMBER 23rd. 1961.

File

NEW DAVIES PETROLEUMS LIMITED

Full corporate name of Company

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

To be read in conjunction with Filing Statement No.628 dated October 13th. 1961.

Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed.	An underwriting and option agreement between our Company and Morgan Securities Limited, dated 21st November, 1961.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	We submit an application for 200,000 shares of our Treasury Stock to be firmly underwritten for cash at 15 cents per share by Morgan Securities Limited, 25% on their own behalf and 75% on behalf of Compact Investments Limited, and options on an additional 800,000 shares as follows:- 200,000 shares at 15 cents within 3 months 200,000 shares at 20 cents within 6 months 200,000 shares at 25 cents within 9 months 200,000 shares at 30 cents within 12 months
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Owners of more than 5% of Morgan Securities Limited. J.E. Houston 68 Douglas Drive, Toronto, Ontario. R.H. Tetlaw 8 Donwoods Grove, Toronto, Ontario. Harold Gibson 2525 Burslem Road, Cooksville, Ontario. Owners of more than 5% of Compact Investments Limited. Percy Waxer 327 Courtleigh Boulevard, Toronto, Ont.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	Diamond drilling has been commenced upon the recently acquired claims in Duprat Township and the Company's Consulting Engineer, W.E. Aitchison, P. Eng., now recommends that \$30,000.00 be used in diamond drilling and ancillary work on these claims.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Add - 5,000 shares Van der Hout Associates Ltd. - Cost \$13,730.00 Present Market \$13,000.00
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	The shares detailed in Item 6 will be in Primary Distribution.
Statement of any other material facts and if none, so state.	None.

DATED November 21st, 1961

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"G.D. Cameron"

"E.F. Furniss"

G.D. Cameron CORPORATE SEAL PRESIDENT.
E.F. Furniss SECRETARY-TREASURER.

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

"J.E. Houston"

"H. Gibson"

J.E. Houston
H. Gibson

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
OCTOBER 1, 1961 TO NOVEMBER 15, 1961

Source of Funds

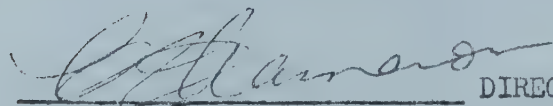
Revenue from Oil Production	\$ 8.95	
Interest earned on deposits	<u>298.28</u>	\$ 307.23

Application of Funds

Cost of operations and Administrative Costs	2,319.28	
Purchase of Investments	<u>13,730.00</u>	<u>16,049.28</u>
Net decrease in Working Capital		<u>\$15,742.05</u>

Changes in Working Capital

<u>Decreases</u>		
Decrease in cash and deposits		<u>\$15,742.05</u>



DIRECTOR.



DIRECTOR.

ENGINEER'S REPORT

To the President,
New Davies Petroleum Limited,
67 Richmond Street West,
Toronto, Ontario.

S U M M A R Y R E P O R T .

Claim Group

Rouyn - Noranda District, Quebec.

Duprat Township.

S U M M A R Y a n d R E C O M M E N D A T I O N S .

The initial programme to seek and test an andesite over rhyolite contact has commenced. According to the theory of the major part of volcanism in the deposition of sulphide deposits, which theory has been well substantiated by results in the Rouyn-Noranda District, these contacts are the favourable ore locales.

There are probably four such contacts in the volcanics in the area. Drilling will commence in andesite below which it can reasonably be expected will occur a rhyolite bed but at what depth there is no evidence at present.

Other properties in the near vicinity are drilling with the same purpose. It is recommended that the programme be extended to test more fully this favourable condition and obtain now positive information upon which to base further exploration of the property. For this extra diamond drilling, the positive method of obtaining information, \$ 30,000 will be required.

C L A I M S .

The group consists of eight (8) claims each of 100 acres. These are recorded in Noranda under certificates 187698-2, -1, 187697-2, -1, 187696-2, -1, 187695-2, -1 which are more accurately described as lots 27 - 34 (in same order) Range VI, Duprat Township, Rouyn-Noranda District, Quebec. Claims expire September 21, 1962.

G E O L O G Y .

In simple terms the rock assemblage consists of volcanics, andesites and rhyolites into which are intrusive areas of diorite. This intrusive is post ore but its presence can mask these contacts and often make interpretation of drilling difficult. The volcanics on this group lie on the south limb of a plunging anticline. The volcanic contacts cannot be traced from the ore bearing area on the Lake Dufault or the Consolidated Vauze, some 5 miles east, due to much intervening areas of faulting and folding.

C U R R E N T W O R K I N V I C I N I T Y .

Due east the Vanguard, adjoining, are discussing drilling. Augustus, Springpole, and Bourbon are drilling or have programmes planned. Waite Lake Mines have an extensive drill fully planned ready to start shortly. Except for the Waite Lake these properties are searching to locate the contact by drilling.

S C H E M E O F E X P L O R A T I O N .

The contacts are undoubtedly not at shallow depth so possible sulphide bodies cannot be located by geophysics. Drilling is positive and more informative. The geology as revealed by all drilling in this immediate area will be most informative and could lead to the real favourable ore locales.

Noranda, Que.,
November 24, 1961.


W.E. Aitchison, P. Eng.,
Consulting Engineer.



DECLARATION.

I, William E. Aitchison, Mining Engineer, declare that

1. I am a Canadian citizen by British birth and reside at Noranda, Quebec.
2. I am a graduate mining engineer from the University of Otago, New Zealand.
3. I am a member of the Professional Engineers of Quebec.
4. I have practised my profession for forty years during which time I have held positions of responsibility in exploration and in operation.
5. I have no interest in the property nor the securities of the property in question nor do I anticipate any interest.
6. This report is based on personal knowledge of the area where I have resided for 12 years. I have had personal discussions with engineers and geologists who have an intimate knowledge of ore geology in this area. I visited the property on September 29, 1961.

Dated at Noranda, Quebec, this 24 th. day of November, 1961.

Geo. E. Keller

Witness.

W.E. Aitchison

W.E.Aitchison, P. Eng..



TORONTO STOCK EXCHANGE

4/12/69

AMENDING FILING STATEMENT NO. 366
FILED, DECEMBER 4th 1969.

NEW DAVIES PETROLEUMS LIMITED
Full corporate name of Company

To replace previous
Amending Filing
Statement No. 366.
Issued in error.

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

To be read in conjunction with Filing Statement No. 1710 dated September 24, 1969

Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed.	Acquisition of 24 mining claims in the Yukon Territory.
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 7,500,000 shares without par value of which 5,394,371 shares are issued and outstanding as fully paid and non-assessable.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Pursuant to the Rights Offering referred to in the Filing Statement, 1,880,432 shares were issued for an aggregate consideration of \$225,651.80.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The results obtained from the airborne radiometric survey carried out over the Company's Mont Laurier Claims are being interpreted at the present time and further development work will depend upon the recommendations made in connection with the interpretation of such results. With respect to the 24 mining claims in the Yukon Territory, the Company plans to carry out work thereon in implementation of the recommendations contained in the Report of Gerald L. Kirwan which accompanies this Filing Statement. As indicated in his Report the initial development program is estimated to cost \$12,500. It is not possible to state the cost of additional work since same will depend on the results obtained from the initial program. Monies in the Company's treasury will be used to carry out development work as warranted on the aforementioned properties and for general administrative purposes.
10. Brief statement of company's chief development work during past year.	An airborne radiometric survey has been completed on the Company's Mont Laurier Area Claims referred to in the Filing Statement and the results of this survey are presently being interpreted.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	The Company entered into an agreement dated November 24th, 1969, with William Brander, 1330 Clyde Avenue, West Vancouver, British Columbia, and William J. Travers, 2365 West 5th Avenue, Vancouver, British Columbia, whereunder the Company agreed to purchase 24 located mineral claims in the Yukon Territory described as Bran Nos. 1 - 24 inclusive, Grant Nos. Y39239 to and including Y39262 for the price or consideration of \$24,000.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	None
Statement of any other material facts and if none, so state.	Shares of the Company are not in the course of primary distribution to the public. There are no other material facts.

DATED November 25th, 1969

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"E. P. FURNISS"
"V. H. HEDGES"

NEW DAVIES PETROLEUMS LIMITED
By  CORPORATE SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

FINANCIAL STATEMENTS

NEW DAVIES PETROLEUMS LIMITED
(Incorporated under the laws of the Province of Alberta)

BALANCE SHEET

	June 30,	
	1969	1968 (Note 1)
ASSETS		
Current:		
Cash	\$ 2,233	\$ 123
Miscellaneous receivables	-	711
	<u>2,233</u>	<u>834</u>
Fixed:		
Exploration license in Scotland, at valuation attributed to 100,000 shares of capital stock issued therefor plus \$125,000 paid in cash	142,500	142,500
Unpatented mining claims, at cost	10,200	1,572
Equipment, at cost less accumulated depreciation (1969-\$5,316; 1968-\$2,807)	3,854	6,004
Interest in petroleum and natural gas leases and producing well, at written down value	3	37,136
Other mining claims and royalty interest, at written down value	<u>2</u>	<u>3</u>
	156,559	187,215
Deferred expenditures:		
Mine exploration and administrative	177,657	177,160
Organization cost	<u>10,356</u>	<u>10,356</u>
	188,013	187,516
	<u>\$346,805</u>	<u>\$375,565</u>
LIABILITIES		
Current:		
Accounts payable	\$ 23,876	\$ 5,330
Loans payable	15,500	
	<u>39,376</u>	<u>5,330</u>
Deferred liability:		
Production losses payable only out of future production	10,400	6,508
SHAREHOLDERS' EQUITY		
Capital (Note 2):		
Authorized:		
4,000,000 Shares, no par value		
Issued and fully paid:		
3,513,939 Shares	1,469,471	1,469,469
Deficit	<u>1,172,442</u>	<u>1,105,742</u>
	297,029	363,727
	<u>\$ 346,805</u>	<u>\$ 375,565</u>

See accompanying notes.

Approved on behalf of the
Board of Directors:

..... (Director)

..... (Director)

NEW DAVIES PETROLEUMS LIMITED
STATEMENT OF OPERATIONS AND DEFICIT

	Year ended June 30,	
	1969	1968 (Note 1)
Revenue:		
Production from wells	\$ 4,267	\$ 3,842
Deduct:		
Royalties	805	614
Operating expenses	6,443	4,673
Depreciation	2,561	2,280
	<u>9,809</u>	<u>7,567</u>
Net loss from production	<u>5,542</u>	<u>3,725</u>
Administrative and general expenditures:		
Office accommodation, accounting and secretarial services	4,850	3,700
Directors' and officer's fees and remuneration	1,400	2,250
Management fees	600	700
Transfer agent's fees and expenses	2,359	2,338
Legal and audit fees	1,305	1,420
Shareholders' meetings and information expenses	2,864	1,770
Telephone and telegraph	-	715
Foreign exchange	-	1,382
Miscellaneous	751	430
Interest and bank charges	479	-
	<u>14,608</u>	<u>14,705</u>
Less portion transferred to deferred mine exploration	-	5,579
	<u>14,608</u>	<u>9,126</u>
Net loss before sundry income	<u>20,150</u>	<u>12,851</u>
Deduct interest and dividend income	-	661
Net loss before deducting the undernoted	<u>20,150</u>	<u>12,190</u>
Mining claims written off	1,573	3,937
Exploration and administrative expenditures deemed applicable to claims written off	1,844	6,012
Loss on sale of marketable securities	-	957
Interest in petroleum and natural gas leases and producing well written down to nominal value	37,133	-
Estimated legal fees re capital increase and proposed rights offering	<u>6,000</u>	<u>-</u>
Net loss for year	<u>66,700</u>	<u>23,096</u>
Deficit at beginning of year	<u>1,105,742</u>	<u>1,082,646</u>
Deficit at end of year	<u>\$1,172,442</u>	<u>\$1,105,742</u>

DEFERRED MINE EXPLORATION AND ADMINISTRATIVE EXPENDITURES

	Year ended June 30,	
	1969	1968 (Note 1)
Exploration expenditures:		
County of Argyle, Scotland:		
Diamond drilling	\$ -	\$ 30,653
Equipment rental	-	6,542
Engineering and supervision	-	8,669
Assaying	500	697
Miscellaneous	960	764
	<u>1,460</u>	<u>47,325</u>
Other properties:		
Geophysical surveys	333	5,235
Engineering fees	300	201
Government fees and taxes	180	579
Miscellaneous	68	-
	<u>881</u>	<u>6,015</u>
Total exploration expenditures	<u>2,341</u>	<u>53,340</u>
Administrative and general expenditures apportioned to mine exploration	-	5,579
Total expenditures for year	<u>2,341</u>	<u>58,919</u>
Balance deferred at beginning of year	<u>177,160</u>	<u>124,253</u>
	<u>179,501</u>	<u>183,172</u>
Less expenditures applicable to mining claims abandoned	<u>1,844</u>	<u>6,012</u>
Balance deferred at end of year	<u>\$177,657</u>	<u>\$177,160</u>
Summary of deferred expenditures:		
Exploration:		
County of Argyle, Scotland	\$148,252	\$146,793
Courtemanche Township, Quebec	-	911
Mont Laurier Area, Quebec	449	-
	<u>148,701</u>	<u>147,704</u>
Administrative and general	<u>28,956</u>	<u>29,456</u>
	<u>\$177,657</u>	<u>\$177,160</u>

See accompanying notes.

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Year ended June 30,	
	1969	1968 (Note 1)
Source of funds:		
Sale of capital stock	\$ 2	\$ -
Application of funds:		
Net loss before deducting certain items	20,150	12,190
Deduct expenses not involving an outlay of funds:		
Production losses payable only out of future production	(3,892)	(2,154)
Depreciation	(2,624)	(2,343)
	13,634	7,693
Purchase of mining claims	10,200	1,572
Acquisition of interest in options to acquire mining claims	-	2,500
Additions to equipment	935	810
Mine exploration, and administrative expenditures apportioned to mine exploration, less expenditures not requiring an outlay of funds	1,880	58,861
Loss from sale of securities	-	957
Estimated legal fees re capital increase and proposed rights offering	6,000	-
	32,649	72,393
Decrease in working capital	32,647	72,393
Working capital deficiency at beginning of year	4,496	(67,897)
Working capital deficiency at end of year	\$37,143	\$ 4,496

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1969

1. 1968 Comparative figures:

The 1968 comparative figures have been changed from the 1968 figures previously presented to shareholders to give effect to a retroactive charge for depreciation (See Note 3) and to adjust the loss from production due to an error in recording. These changes have a net effect of increasing the net loss for the 1968 fiscal year by \$935 and a corresponding increase of deficit account as at June 30, 1968.

In addition to the above changes, the cumulative amount due for production losses has been reclassified as a deferred liability since it is repayable only out of future production.

2. Capital stock:

By an amendment to the provisions of the Memorandum of Association dated July 4, 1969, the authorized capital of the company was increased from 4,000,000 shares without par value to 7,500,000 shares without par value.

During the 1969 fiscal year, two shares were issued for \$2.

3. Depletion, amortization and depreciation:

In prior years no provision was made for depletion of producing properties, amortization of producing well costs and depreciation of production equipment as the necessary information to determine the amounts was not available.

In the 1969 fiscal year the company decided to write down the cost of the producing properties and producing well to a nominal value. It was also decided to provide for depreciation of production equipment at a rate of 30% per annum retroactive to the 1968 fiscal year.

4. Government grants:

The company has been informed by its representative that £4833 have been received by way of grants from the Board of Trade Investment Grants Office, Glasgow, in respect to the property in Scotland. These funds are held in Scotland in trust for the company and may be used only for further work carried out in the United Kingdom. These funds are not recorded in the accompanying financial statements.

AUDITORS' REPORT

To the Shareholders of
New Davies Petroleums Limited.

We have examined the balance sheet of New Davies Petroleums Limited as at June 30, 1969 and the statements of operations and deficit, deferred mine exploration expenditures, and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at June 30, 1969 and the results of its operations and the source and application of its funds for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Laventhol Krekstein Horwath & Horwath

August 11, 1969.

Chartered Accountants.

Represented throughout United States by Laventhol Krekstein Horwath & Horwath and in countries throughout the world

NEW DAVIES PETROLEUMS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FIVE MONTHS ENDED NOVEMBER 30, 1969

UNAUDITED

Source of funds:

Proceeds from issue of 1,880,432 shares pursuant to rights offering	\$225,652
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Application of funds:

Exploration expenditures	\$ 3,455	
Administrative expenditures	11,330	
Acquisition of mining claims	5,000	
Standby fee (see note below)	<u>6,250</u>	<u>26,035</u>

Increase in working capital	199,617
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Working capital deficiency, June 30, 1969	<u>(37,143)</u>
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Working capital, November 30, 1969	<u>\$162,474</u>
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Represented by:

Current assets:

Cash	\$ 34,902	
Short-term deposit	130,000	
Miscellaneous receivables	<u>840</u>	<u>\$165,742</u>

Current liabilities:

Accounts payable	<u>3,268</u>
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\$162,474

Note:

This fee was paid to Alness Investments Limited in consideration of their agreement to purchase a sufficient number of shares at 15¢ each to guarantee the Company minimum proceeds of \$125,000 under the rights offering.

APPROVED ON BEHALF OF THE BOARD

Murray Kemp
DIRECTOR

Robert Brown
DIRECTOR

EXPLORATION AND ADMINISTRATIVE EXPENDITURES

FIVE MONTHS ENDED NOVEMBER 30, 1969

UNAUDITED

Exploration expenditure:

Geological survey	\$ 1,000	
Government fees and rentals	2,450	
Miscellaneous	<u>5</u>	<u>\$ 3,455</u>

Administrative expenditures:

Corporate services and rent	\$ 2,000	
Directors' and officer's fees and remuneration	700	
Transfer agent's fees and expenses	2,264	
Legal and audit fees	700	
Share certificate costs	1,948	
Shareholders' meetings and information expenses	514	
Stock exchange fees	2,724	
Miscellaneous	<u>480</u>	<u>\$ 11,330</u>

ENGINEER'S REPORT

contained in a report

NOTE: The following is a summary report by G.L. Kirwin, Geologist, dated November 24th, 1969, on mining claims located some 190 miles northwest of Whitehorse, Yukon Territory. A complete copy of this report is on file with the Toronto Stock Exchange.

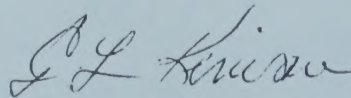
SUMMARY:

New Davies Petroleums Ltd. have acquired a twenty-four claim parcel in the centre of a large staking rush shown as tying onto the Casino Silver Mines Ltd. property located some 190 miles northwest of Whitehorse, Yukon Territory, where very large tonnages of low-grade copper-molybdenite are being drill-indicated. Results show a 200 ft. deep upper oxide zone under which occurs a secondary zone to depth 450 ft. characterized by chalcocite mineralization, followed by a primary chalcocite zone to at least 1200 ft. in vertical depth.

Based upon Government publications, geology underlying the subject property is considered favourable for copper-molybdenite concentrations being similar to that of the Casino holdings. Relationship of magnetic features with mineralization on the Casino holdings is considered important, and it is thus significant that a large magnetic high crosses the New Davies holdings while two relative magnetic lows occur in the eastern portion of the property.

Expenditures on preliminary programs are fully warranted to assess the copper-molybdenite potential of the New Davies property. It is recommended that linecutting be done on a north-south grid at 400 ft. separations followed by magnetic coverage and soil sampling from the "B" horizon at 100 ft. stations for copper determination using hot extraction process. The estimated cost of this work considering 30 miles of coverage at \$100.00 per mile for linecutting, \$90.00 per mile for magnetic work, \$3.00 per soil sample and allowing \$2,000.00 for air transportation, is \$12,500.00.

Further work is contingent upon results of the recommended field program.



G. L. Kirwan.

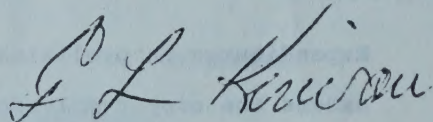
Vancouver, B.C.
24 November 1969

CERTIFICATE

I, Gerald L. Kirwan of the cities of Toronto and Vancouver certify as follows:

1. THAT I am a Geologist with offices at Ste. 205-160 Bay St., Toronto, and Ste. 214-475 Howe St., Vancouver, B.C.
2. THAT I have been graduated from Carleton University, B.Sc., 1957, and that I have practised my profession continuously.
3. THAT I am a Fellow of the Geological Association of Canada and a Member of the Canadian Institute of Mining and Metallurgy.
4. THAT I have no interest direct or indirect in the property of New Davies Petroleum Ltd. nor do I beneficially own directly or indirectly any security of the Company or affiliate thereof.
5. THAT the accompanying report has been prepared by myself and is based upon government reports, maps, and files and a study of pertinent engineering documents relative to the subject property.
6. THIS report herein may be used in the prospectus of the Company and amendments thereto.

Dated at Vancouver, British Columbia, this 24th day
of November 1969.



G. L. Kirwan